

SENATE BILL 3177
By Henry

AN ACT To make appropriations for the purpose of defraying the expenses of the state government for the fiscal years beginning July 1, 1995 and July 1, 1996, in the administration, operation and maintenance of the legislative, executive and judicial branches of the various departments, institutions, offices and agencies of the state; for certain state aid and obligations; for capital outlay, for the service of the public debt, for emergency and contingency; to repeal certain appropriations and any acts inconsistent herewith; to provide provisional continuing appropriations; and to establish certain provisions, limitations and restrictions under which appropriations may be obligated and expended. This act makes appropriations for the purposes described above for the fiscal years beginning July 1, 1995 and July 1, 1996.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. That appropriations hereinafter set out are hereby made for the purpose of defraying the expenses of state government for the fiscal year beginning July 1, 1996, in the administration, operation and maintenance of the legislative, executive and judicial branches of the various departments, institutions, offices and agencies of the state, and for certain state aid and obligations and for capital outlay; for the service of the public debt, and for emergency and contingency, all according to the following schedule:

I. LEGISLATIVE		<u>1996-97</u>
1. General Assembly - Legislative Expense.....	\$	4,038,400.00
2. Fiscal Review Committee.....		588,400.00
3. House of Representatives.....		7,573,300.00
4. State Senate		4,178,400.00
5. Office of Legislative Administration		440,500.00
6. Office of Legislative Services		219,000.00
7. Office of Legal Services		1,432,700.00
8. Tennessee Code Commission		69,000.00
9. Select Oversight Committee on Corrections		168,300.00
10. Select Committee on Children and Youth		108,500.00
11. Southern Legislative Conference - 1996 Meeting		60,000.00
12. Black Health Care Commission		50,000.00
Total Title I.....	\$	18,926,500.00
II. JUDICIAL		
1. Appellate and Trial Courts.....	\$	32,458,900.00

2. Supreme Court Buildings	1,233,900.00
3. Child Support Referees	259,900.00
4. Indigent Defendants' Counsel	8,163,500.00
5. Verbatim Transcripts	2,948,100.00
6. Tennessee State Law Libraries	686,700.00
7. Judicial Council and Conference	217,700.00
8. Judicial Committees	29,300.00
9. State Court Clerks' Conference	260,100.00
10. Court System Administration	3,673,200.00
11. Appellate Court Clerks	128,300.00
12. Board of Law Examiners	374,900.00

Total Title II..... \$ 50,434,500.00

III. EXECUTIVE

1. Constitutional and Quasi-Judicial Offices

1. Attorney General and Reporter	
1.1 Attorney General and Reporter	\$ 10,822,900.00
1.2 Publications	167,300.00
1.3 Special Litigation	187,600.00
Total Attorney General and Reporter	\$ 11,177,800.00

2. District Attorneys General	
2.1 District Attorneys General	\$ 31,498,100.00
2.2 District Attorneys General Conference	200,400.00
2.3 Executive Secretary	526,900.00
2.4 IV-D Child Support	370,500.00
Total District Attorneys General	\$ 32,595,900.00

3. Department of State	
3.1 Secretary of State	\$ 5,514,600.00
3.2 State Election Commission	1,512,200.00
3.3 Public Documents	392,300.00
3.4 Library and Archives	4,387,500.00
3.5 Regional Libraries	6,159,100.00
3.6 Registry of Election Finance	271,700.00
Total Department of State	\$ 18,237,400.00

4. Public Defenders	
4.1 District Public Defenders	\$ 15,745,200.00
4.2 Executive Secretary of the Public Defenders Conference	514,500.00
4.3 Shelby County Public Defender	2,492,900.00
4.4 Davidson County Public Defender	1,227,500.00
Total Public Defenders	\$ 19,980,100.00

5. Office of the Comptroller of the Treasury	
5.1 Administration	\$ 507,600.00

5.2 Management Services		3,269,500.00
5.3 State Audit.....		5,266,900.00
5.4 County Audit.....		3,559,800.00
5.5 Municipal Audit.....		835,900.00
5.6 Bond Finance		161,400.00
5.7 Local Government.....		253,200.00
5.8 Property Assessment		5,890,400.00
5.9 Tax Relief Program		9,753,900.00
5.10 State Board of Equalization.....		617,100.00
5.11 Local Finance.....		237,500.00
5.12 Office of Education Accountability.....		769,000.00
5.13 Office of State Assessed Properties		445,600.00
Total Office of the Comptroller of the Treasury.....	\$	31,567,800.00
6. Department of Treasury		
6.1 Treasurer's Office.....	\$	831,300.00
Total Department of Treasury	\$	831,300.00
7. Tennessee Regulatory Authority.....	\$	3,740,500.00
8. Claims and Compensation		
8.1 Criminal Injuries Compensation	\$	6,242,400.00
Total Claims and Compensation	\$	6,242,400.00
Total Title III-1.....	\$	124,373,200.00

The appropriation made under Title III-1, Item 8 may be increased or decreased as realized receipts of the Criminal Injuries Compensation Fund justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1.

2. Executive Offices

1. Governor's Office		
1.1 Governor's Office	\$	3,236,600.00
1.2 Intergovernmental Conferences and Special Operations	\$	512,900.00
Total Executive Programs	\$	3,749,500.00
2. Commissions		
2.1 Commission on Children and Youth.....	\$	1,124,400.00
2.2 Commission on Aging		3,447,300.00
2.3 Alcoholic Beverage Commission.....		1,645,300.00
2.4 Human Rights Commission.....		834,100.00
2.5 Health Facilities Commission		498,300.00
2.6 Tennessee Corrections Institute		537,800.00
2.7 Council of Juvenile and Family Court Judges		332,800.00
2.8 Advisory Commission on		

Intergovernmental Relations	392,500.00
2.9 Tennessee Housing Development Agency	8,000,000.00
2.10 Tennessee Arts Commission	1,614,600.00
2.11 Tennessee State Museum	1,763,000.00
2.12 Board of Paroles	15,999,000.00
2.13 Post-Conviction Defender Commission	628,400.00
Total Commissions	\$ 36,817,500.00
3. Department of Finance and Administration	
3.1 Administration	\$ 1,003,300.00
3.2 Budget	1,922,600.00
3.3 Accounts	3,087,200.00
3.4 Criminal Justice Administration	170,900.00
3.5 Resource Development and Support	814,800.00
3.6 Capital Projects Management	2,379,400.00
3.7 Real Property Management	427,300.00
3.8 National and Community Service	93,000.00
Total Department of Finance and Administration	\$ 9,898,500.00
4. Department of Personnel	
4.1 Administration	\$ 1,500,200.00
4.2 Human Resource Development	829,600.00
4.3 Technical Services	1,437,700.00
Total Department of Personnel	\$ 3,767,500.00
5. Department of General Services	
5.1 Administration	\$ 488,800.00
5.2 Property Utilization	138,200.00
5.3 Property Management	1,648,600.00
Total Department of General Services	\$ 2,275,600.00
6. Department of Veterans Affairs	\$ 2,470,700.00
Total Title III-2	\$ 58,979,300.00
3. Department of Agriculture	
1. Administration	\$ 2,484,800.00
2. Animal Industries	1,255,800.00
3. Plant Industries	1,473,800.00
4. Quality and Standards	4,448,300.00
5. Marketing	1,105,900.00
6. Commodity Distribution	521,400.00
7. Agricultural Fairs and Promotional Activities	268,500.00
8. Agricultural Resources	963,900.00
9. Technical Services	2,933,800.00
10. Forestry	14,417,700.00
11. Forestry Maintenance	235,000.00
12. Tennessee Agricultural Regulatory Fund	1,728,700.00

Total Title III-3	\$	31,837,600.00
4. Department of Tourist Development		
1. Division of Administration and Travel		
Promotion.....	\$	9,216,400.00
2. Welcome Center Services		1,314,500.00
Total Title III-4.....	\$	10,530,900.00
5. Department of Environment and Conservation		
1. Administrative Services.....	\$	3,391,700.00
2. Conservation Administration		1,016,400.00
3. Historical Commission.....		1,033,700.00
4. Archaeology		528,400.00
5. Geology		993,600.00
6. State Parks.....		20,624,600.00
7. Natural Heritage		405,900.00
8. State Parks Maintenance		3,540,800.00
9. Maintenance of Historic Sites.....		161,100.00
10. West Tennessee Rivers Authority		1,153,100.00
11. Environment Administration		1,129,700.00
12. Used Oil Collection Program.....		1,216,100.00
13. Dry Cleaners Environmental Response Fund.....		2,305,000.00
14. Environmental Assistance		874,100.00
15. Air Pollution Control		1,825,800.00
16. Radiological Health		350,500.00
17. Construction Grants and Loans		4,421,400.00
18. Water Pollution Control		4,703,500.00
19. Solid Waste Management		1,756,900.00
20. Abandoned Lands		500,000.00
21. Hazardous Waste Remedial Action Fund		1,135,200.00
22. Water Supply.....		1,246,600.00
23. Groundwater Protection		2,880,200.00
24. Underground Storage Tanks.....		16,557,900.00
25. Solid Waste Assistance Fund		8,980,100.00
26. Environmental Protection Fund.....		28,078,700.00
Total Title III-5.....	\$	110,811,000.00
6. Wildlife Resources Agency		
1. Wildlife	\$	26,356,200.00
2. Boating.....		3,642,300.00
Total Title III-6.....	\$	29,998,500.00

The appropriation made under Title III-6 may be increased or decreased as realized receipts of the Wildlife Resources

Fund justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1.

7. Department of Correction

1. Administration	\$	10,013,200.00
2. Field Services		21,691,700.00
3. State Prosecutions.....		95,973,200.00
4. Knoxville Community Service Center.....		2,758,100.00
5. Tennessee Correction Academy.....		3,037,800.00
6. Nashville Community Service Center		4,877,300.00
7. Wayne County Boot Camp		5,681,300.00
8. Chattanooga Community Service Center		2,478,800.00
9. Brushy Mountain State Penitentiary.....		11,851,200.00
10. Cold Creek Correctional Center		11,925,200.00
11. Tennessee Prison for Women		9,900,200.00
12. Turney Center		16,533,200.00
13. Mark Luttrell Reception Center		9,029,300.00
14. Middle Tennessee Reception Center.....		11,755,800.00
15. Southeast Tennessee State Regional Correctional Facility.....		13,711,500.00
16. Morgan County Regional Correctional Facility.....		13,060,900.00
17. Major Maintenance		2,233,500.00
18. Local Correctional Programs		7,292,400.00
19. Carter County Work Camp.....		3,561,500.00
20. Lake County Regional Correctional Facility		11,245,400.00
21. West Tennessee High Security Facility		13,841,200.00
22. Riverbend Maximum Security Facility		16,231,400.00
23. Northeast Correctional Center		18,473,600.00
24. South Central Correctional Center.....		18,426,300.00
25. Northwest Correctional Center.....		18,022,400.00
26. Lois M. DeBerry Special Needs Facility		31,461,400.00
27. Sentencing Act of 1985.....		18,700,000.00
28. Local Jail Boarding Fees.....		1,925,200.00
29. Correctional Enterprises		264,600.00
30. Middle Tennessee Technical Violators Facility		3,745,200.00
Total Title III-7.....	\$	409,702,800.00

8. Department of Economic and
Community Development

1. Division of Administrative and Support Services.....	\$	3,822,300.00
2. Division of Industrial Development.....		2,237,800.00
3. Division of Business Services		480,400.00
4. 95 County Jobs Program		9,000,000.00
5. Division of Community Development		2,813,400.00
6. Division of Energy		195,100.00
7. Industrial Training Service		3,827,000.00

8. Regional Grants Management	1,767,100.00
Total Title III-8.....	\$ 24,143,100.00
9. Department of Education	
1. Administrative Services	
1.1 Administration.....	\$ 7,855,900.00
1.2 Grants-in-Aid	2,223,600.00
1.3 Board of Education.....	720,800.00
1.4 Education Technology.....	2,352,000.00
1.5 Accountability	5,265,600.00
Total Administrative Services.....	\$ 18,417,900.00
2. Kindergarten, Elementary and Secondary	
2.1 State Programs	
a. Curriculum and Instruction	\$ 3,578,700.00
b. State LEA Grants	1,375,800.00
c. Career Ladder	106,630,800.00
d. Basic Education Program (BEP)	1,969,860,700.00
e. Driver Education.....	1,650,000.00
f. Adult and Community Education	2,790,700.00
g. Institute for Excellence in Education	3,739,500.00
Subtotal State Programs	\$ 2,089,626,200.00
2.2 Federally Funded and Supported Programs	
a. Federally-Supported LEA Programs	\$ 110,900.00
b. Child Nutrition Programs	4,866,200.00
c. Services for Children with Disabilities.....	5,582,000.00
d. Tennessee Early Childhood and Family Services	1,602,300.00
Subtotal Federally Funded and Supported Programs	\$ 12,161,400.00
Total Kindergarten, Elementary and Secondary	\$ 2,101,787,600.00
3. Vocational Education	
3.1 Vocational Education Programs	\$ 5,323,400.00
Total Vocational Education.....	\$ 5,323,400.00
4. Special Schools	
4.1 Alvin C. York Institute	\$ 2,876,700.00
4.2 Tennessee School for the Blind	6,074,700.00
4.3 Tennessee School for the Deaf.....	8,812,600.00
4.4 West Tennessee School for the Deaf.....	1,318,400.00
4.5 Major Maintenance.....	264,000.00
Total Special Schools.....	\$ 19,346,400.00
Total Title III-9.....	\$ 2,144,875,300.00
10. Higher Education	

1. Administration and Support Services		
1.1 Tennessee Higher Education Commission	\$	4,489,100.00
1.2 Contract Education.....		2,558,500.00
1.3 Tennessee Student Assistance Awards.....		17,417,500.00
1.4 Tennessee Student Assistance Corporation.....		805,300.00
1.5 Loan/Scholarship Programs		825,000.00
1.6 Tennessee Foreign Language Institute.....		234,300.00
Total Administration and Support Services.	\$	26,329,700.00
2. Excellence Initiatives		
2.1 Centers of Excellence	\$	17,399,100.00
2.2 Campus Centers of Emphasis.....		1,263,800.00
2.3 Academic Scholars Program.....		251,800.00
Total Excellence Initiatives	\$	18,914,700.00
3. University of Tennessee System		
3.1 Administrative and Other Services		
a. U.T. University-Wide Administration.....	\$	2,163,200.00
b. U.T. Institute for Public Service		4,199,400.00
c. U.T. Municipal Technical Advisory Service.....		1,188,500.00
d. U.T. County Technical Assistance Service		915,300.00
e. U.T. Space Institute.....		6,457,300.00
Subtotal Administrative and Other Services.....	\$	14,923,700.00
3.2 Agricultural Services		
a. U.T. Agricultural Experiment Stations	\$	18,122,600.00
b. U.T. Agricultural Extension Service.....		20,746,400.00
c. U.T. Veterinary Medicine		11,210,100.00
Subtotal Agricultural Services	\$	50,079,100.00
3.3 Medical Education		
a. U.T. Memphis	\$	46,616,600.00
b. U.T. Family Medicine		4,162,200.00
c. U.T. College of Medicine		33,488,000.00
Subtotal Medical Education.....	\$	84,266,800.00
3.4 University Campuses		
a. U.T. Chattanooga.....	\$	32,208,600.00
b. U.T. Knoxville		147,591,900.00
c. U.T. Martin		24,721,200.00
Subtotal University Campuses	\$	204,521,700.00
Total University of Tennessee.....	\$	353,791,300.00

4. Tennessee Board of Regents

4.1	Administration		
a.	Tennessee Board of Regents	\$	3,022,900.00
	Subtotal Administration	\$	3,022,900.00
4.2	Medical Education		
a.	East Tennessee State		
	University - College of Medicine	\$	19,617,500.00
b.	East Tennessee State		
	University - Family Practice		2,936,100.00
	Subtotal Medical Education	\$	22,553,600.00
4.3	Regional Universities		
a.	Austin Peay State University	\$	25,124,800.00
b.	East Tennessee State University		44,815,500.00
c.	University of Memphis		90,136,400.00
d.	Middle Tennessee State University		61,539,800.00
e.	Tennessee State University		31,125,000.00
f.	Tennessee Technological University		38,202,200.00
	Subtotal Regional Universities	\$	290,943,700.00
4.4	Community Colleges and Technical Institutes		
a.	State Technical Institute at Memphis	\$	17,956,600.00
b.	Nashville State Technical Institute		9,651,100.00
c.	Pellissippi State Technical Community College		15,070,700.00
d.	Northeast State Technical Community College		7,365,800.00
e.	Chattanooga State Technical Community College		18,246,700.00
f.	Cleveland State Community College		8,116,600.00
g.	Columbia State Community College		8,336,200.00
h.	Dyersburg State Community College		4,820,900.00
i.	Jackson State Community College		8,130,900.00
j.	Motlow State Community College		7,200,100.00
k.	Roane State Community College		13,467,300.00
l.	Shelby State Community College		15,866,300.00
m.	Volunteer State Community College		11,363,500.00
n.	Walters State Community College		12,262,500.00
	Subtotal Community Colleges and Technical Institutes	\$	157,855,200.00
4.5	Technical Centers		
a.	Technical Centers	\$	29,401,600.00
	Subtotal Technical Centers	\$	29,401,600.00
	Total Tennessee Board of Regents	\$	503,777,000.00

5. Higher Education - UT and SBOR

5.1	Salary Increase	\$	29,361,900.00
5.2	TCRS Rate Adjustment		8,666,300.00
	Subtotal Higher Education - UT and SBOR	\$	38,028,200.00
	Total Title III-10.....	\$	940,840,900.00
11.	Department of Commerce and Insurance		
1.	Administration	\$	1,478,700.00
2.	Insurance		1,832,200.00
3.	Consumer Affairs		560,900.00
4.	Racing Commission		59,600.00
5.	Regulatory Boards		12,624,600.00
5.1	Real Estate Education and Recovery Fund		45,100.00
5.2	Auctioneer Education and Recovery Fund.....		28,600.00
6.	Commission on Firefighting Personnel Standards and Education.....		2,296,100.00
	Total Title III-11.....	\$	18,925,800.00
12.	Department of Financial Institutions		
		\$	5,123,200.00
	Total Title III-12	\$	5,123,200.00
The appropriation made under Title III-12 may be increased or decreased as realized receipts justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1.			
13.	Department of Labor		
1.	Administration	\$	845,300.00
2.	Tennessee Occupational Safety and Health Administration (TOSHA).....		2,307,300.00
3.	Workers' Compensation.....		3,817,000.00
4.	Mines		428,800.00
5.	Labor Standards		707,900.00
6.	Second Injury Fund.....		2,695,900.00
	Total Title III-13.....	\$	10,802,200.00
14.	Department of Mental Health and Mental Retardation		
1.	Administration		
1.1	Administrative Services Division	\$	6,790,700.00
	Total Administrative Services Division	\$	6,790,700.00
2.	Mental Health Services		
2.1	Mental Health Services Administration.....	\$	1,547,100.00

2.2	Non-TennCare Mental Health Services.....		108,295,300.00
2.3	Lakeshore Mental Health Institute.....		1,093,600.00
2.4	Middle Tennessee Mental Health Institute		1,660,000.00
2.5	Western Mental Health Institute		1,185,000.00
2.6	Moccasin Bend Mental Health Institute		1,782,200.00
	Total Mental Health Services	\$	115,563,200.00
3.	Mental Retardation Services		
3.1	Mental Retardation Administration	\$	2,284,200.00
3.2	Developmental Disabilities Council		77,800.00
3.3	Mental Retardation Community Services		45,500,800.00
3.4	Regional Offices of Community Services		3,500,500.00
3.5	Arlington Developmental Center		1,688,400.00
3.6	Clover Bottom Developmental Center.....		2,132,900.00
3.7	Greene Valley Developmental Center.....		488,000.00
3.8	Nat T. Winston Developmental Center.....		581,100.00
	Total Mental Retardation Services	\$	56,253,700.00
4.	Major Maintenance and Equipment	\$	750,000.00
	Total Title III-14.....	\$	179,357,600.00
15.	Department of Military		
1.	Administration	\$	1,838,400.00
2.	Tennessee Army National Guard.....		895,400.00
3.	Tennessee Air National Guard.....		1,054,700.00
4.	Tennessee Emergency Management Agency		1,257,900.00
5.	Armories Major Maintenance		623,500.00
6.	Armories Utilities		1,553,200.00
	Total Title III-15.....	\$	7,223,100.00
16.	Department of Health		
1.	Administration		
1.1	Executive Administration	\$	3,652,700.00
1.2	Bureau of Administrative Services		2,699,600.00
1.3	Bureau of Information Resources.....		3,816,200.00
	Total Administration.....	\$	10,168,500.00
2.	Manpower Resources And Facilities		
2.1	Health Care Facilities	\$	3,260,300.00
2.2	Emergency Medical Services		807,900.00
2.3	Health Related Boards		5,531,500.00
2.4	Laboratory Services		6,802,400.00
	Total Manpower Resources and Facilities	\$	16,402,100.00
3.	Community Health Services		

3.1	Health Services Administration	\$	9,483,900.00
3.2	Division of General Environmental Health.....		5,029,300.00
3.3	Chronic Renal Disease Control		1,290,800.00
3.4	Hemophilia Services.....		690,400.00
3.5	Alcohol and Drug Services		8,927,100.00
3.6	Maternal and Child Health.....		3,444,600.00
3.7	Division of Special Services		2,600.00
3.8	Communicable Disease Control		5,115,600.00
3.9	HSA Medical Programs		2,326,000.00
3.10	Population Based Services		5,440,600.00
3.11	Community Health Agencies		2,173,100.00
	Total Community Health Services	\$	43,924,000.00
4.	Local Health		
4.1	Local Health Services.....	\$	4,537,400.00
	Total Local Health	\$	4,537,400.00
5.	Health Grant Assistance Programs		
5.1	Nursing Home Grant Assistance Program	\$	15,000,000.00
	Total Health Grant Assistance Programs	\$	15,000,000.00
	Total Title III-16.....	\$	90,032,000.00
17.	Department of Human Services		
1.	Administration		
1.1	Division of Administration	\$	18,309,500.00
1.2	Field Operations		4,863,900.00
1.3	County Rentals.....		3,200,500.00
	Total Administration.....	\$	26,373,900.00
2.	Family Assistance Services		
2.1	Child Support.....	\$	2,509,800.00
2.2	Temporary Cash Assistance		26,005,000.00
2.3	Family Assistance Services.....		52,231,100.00
	Total Family Assistance Services.....	\$	80,745,900.00
3.	Social Services		
3.1	Social Services.....	\$	296,300.00
3.2	Community Services		52,542,900.00
	Total Social Services.....	\$	52,839,200.00
4.	Rehabilitative Services		
4.1	Vocational Rehabilitation	\$	8,469,400.00
	Total Rehabilitative Services	\$	8,469,400.00
	Total Title III-17	\$	168,428,400.00
18.	Department of Revenue		
1.	Administration	\$	2,889,800.00

2.	Tax Enforcement.....	2,719,100.00
3.	Fiscal Services	885,500.00
4.	Management Information Systems	6,746,300.00
5.	Taxpayer Services	2,380,400.00
6.	Processing	2,104,800.00
7.	Field Audit	9,704,300.00
8.	Office of Audit and Examination.....	4,268,500.00
	Total Title III-18.....	\$ 31,698,700.00
19.	Tennessee Bureau of Investigation.....	\$ 13,536,500.00
	Total Title III-19.....	\$ 13,536,500.00
20.	Department of Safety	
1.	Administration	\$ 3,296,600.00
2.	Driver License Issuance.....	673,200.00
3.	Highway Patrol.....	50,412,900.00
4.	Motorcycle Education.....	153,500.00
5.	Equipment	5,157,000.00
6.	Driver Education.....	192,700.00
7.	Training Academy	1,825,800.00
8.	POST Commission.....	5,309,900.00
9.	Titling and Registration	8,412,900.00
10.	Major Maintenance.....	272,900.00
11.	Technical Services	88,300.00
12.	CID Anti-Theft Unit	575,800.00
	Total Title III-20.....	\$ 76,371,500.00
21.	Miscellaneous Appropriations	
1.	Consolidated Retirement System	
1.1	County Officials and County Judges Retirement Contribution.....	\$ 5,500,000.00
1.2	Former Governors and Widows of Former Governors - Pensions	191,300.00
1.3	Widow of Appellate Judge - Pension.....	1,800.00
1.4	General Sessions Judges Retirement.....	100,000.00
1.5	3.6% Indexing.....	420,000.00
2.	State Employees' Unemployment Compensation, Sick Leave, Death Benefit Payments and Terminal Leave Payments	200,000.00
3.	Retirees Health Insurance	4,400,000.00
4.	State School Bond Authority - Debt Service	800,000.00
5.	Attorney's Fee - Civil Rights.....	500,000.00
6.	Special Election Reimbursement to Counties.....	130,000.00
7.	Disaster Relief Grants.....	1,000,000.00

8. Drug Free Tennessee Program	1,179,000.00
9. Tennessee Association of Rescue Squads	78,300.00
10. YMCA Youth Legislature.....	25,000.00
11. Direct Appropriation Grants	100,000.00
12. State Employees Group Insurance	5,430,900.00
13. State Employee Salary Increase.....	24,311,400.00
14. State Employees Salary Range Changes.....	8,103,800.00
15. TCRS Rate Increase	6,000,000.00
Total Title III-21.....	\$ 58,471,500.00

22. Children's Services

1. Administration	\$ 8,852,200.00
2. Direct Child and Family Services	132,107,100.00
3. Medical Services.....	14,984,100.00
4. Office of Children's Services Administration	5,440,100.00
Total Title III-22.....	\$ 161,383,500.00

23. TennCare

1. TennCare Administration	\$ 52,661,700.00
2. TennCare Services	583,596,700.00
3. Long-Term Care Services	274,974,500.00
4. Waiver and Crossover Services.....	95,741,800.00
Total Title III-23.....	\$ 1,006,974,700.00

24. Emergency and Contingency Fund	\$ 819,300.00
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Total Title III-24.....	\$ 819,300.00
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The Emergency and Contingency Fund may be used for any purpose authorized by law to be allowed on Executive Order of the Governor; provided, however, the Emergency and Contingency Fund shall not be used to fund any law requiring the expenditure of state funds unless an appropriation is made elsewhere for the estimated first year's funding.

25. Major Maintenance and Equipment

1. State Building Commission	\$ 207,900.00
Total Title III-25.....	\$ 207,900.00

26. Department of Transportation

There is hereby appropriated for the use of the Department of Transportation such receipts of highway revenues as are now provided by law, or may hereafter be so provided, to accrue to

that department during the fiscal year, beginning July 1, 1996, to be expended by the Commissioner of Transportation, all according to the following schedule:

		<u>1996-97</u>
1. Administration		
1.1 D.O.T. Headquarters	\$	21,219,000.00
1.2 Bureau of Planning and Development.....		16,194,000.00
1.3 Bureau of Operations		8,273,000.00
1.4 Field Engineering		21,816,000.00
1.5 Insurance Premiums		6,000,000.00
Total Administration.....	\$	73,502,000.00
2. Equipment Purchases and Operations	\$	14,418,000.00
3. Highway Maintenance.....	\$	238,969,000.00
4. State Construction		
4.1 Highway Betterments	\$	4,000,000.00
4.2 State Aid.....		24,150,000.00
4.3 State Industrial Access.....		8,000,000.00
4.4 Local Interstate Connectors		1,500,000.00
4.5 Capital Improvements		3,161,000.00
Total State Construction.....	\$	40,811,000.00
5. Federal Construction		
5.1 Mass Transit.....	\$	14,958,000.00
5.2 Highway Planning and Research		2,000,000.00
5.3 Interstate Construction		7,425,000.00
5.4 State Highway Construction		253,198,000.00
5.5 Bridge Replacement.....		2,600,000.00
5.6 Air, Water and Rail		16,900,000.00
Total Federal Construction.....	\$	297,081,000.00
Total Title III-26.....	\$	664,781,000.00

Said funds so appropriated shall be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1. There is further appropriated to the Department of Transportation such departmental revenue, expressly including federal matching funds, as may accrue to the department.

The "Proposed Highway Program for Fiscal Year 1996-97", prepared by the Department of Transportation as a supplement to and as "Supporting Data for the Budget Request", is hereby incorporated into and made a part of the Appropriations Act.

Whenever a determination is made that one or more of the projects in the approved program cannot be proceeded with, the Commissioner of Transportation shall furnish, in written form as prescribed by the Chairmen of the Finance, Ways and Means Committees of the Senate and House and the Chairmen of the Transportation Committees of the Senate and House, the reasons for such proposed cancellation or rescheduling of said project, together with a recommendation for a substitute project. The notice of cancellation or rescheduling of said project shall be submitted to the Speaker of the Senate, the Speaker of the House of Representatives, the Chairmen of the Finance, Ways and Means Committees of the Senate

and House, the Chairmen of the Transportation Committees of the Senate and House and to the individual senator and representative in whose districts the cancelled project or proposed substitution is located.

From the funds appropriated above in Item 4.2, State Aid, the sum of (\$9,600,000.00) is allocated for the purpose of funding the "1990 Bridge Grant Program" as set forth in Tennessee Code Annotated, Title 54, Chapter 4, Part 5.

For the fiscal year beginning July 1, 1996, the Commissioner of Transportation shall distribute this money among the ninety-five (95) county geographical areas of the state according to the following formula:

One-half of the funds shall be distributed equally, and one-half shall be distributed on the basis of structural needs. Structural needs shall be determined by calculating the ratio of linear feet of bridges with a load rating of less than ten tons, in each county geographical area, located on public roads other than those on a federal-aid system or the state system of highways, to the total linear feet of like bridges in the state.

27. State Funding Board

There is hereby appropriated to the State Funding Board for interest and reduction of the state debt, for debt service expense and interest on proposed bond authorization:

		<u>1996-97</u>
1. Interest on State Debt	\$	37,514,000.00
2. Retirement of Bonds		54,221,000.00
3. Debt Service Expense		500,000.00
4. Amortization of Authorized and Unissued Construction Bonds		61,028,000.00
5. Amortization of Authorized and Unissued Highway Bonds		162,800,000.00
Total Title III-27	\$	316,063,000.00

The appropriation made under Section 1, Title III-27, Items 1, 2, 3, 4 and 5 is made under the provisions of Tennessee Code Annotated, Title 9, Chapter 9, and may be increased to such amounts as will be necessary to carry out such provisions.

28. Capital Outlay--Sinking Fund

There is hereby appropriated for the fiscal year beginning July 1, 1996, to the Sinking Fund from the receipts of the tax levied by Tennessee Code Annotated, Title 67, Chapter 4, Part 8, "The Excise Tax Law", an amount to be determined by the State Funding Board.

SECTION 2. Capital Outlay and Major Maintenance

Item 1. Any funds appropriated by this General Assembly for capital outlay, capital maintenance and major maintenance shall not revert to the general fund but shall remain available until expended. It is the intent of the General Assembly that funds of capital

outlay nature shall remain available until expended for the purpose for which the appropriations were made.

Item 2. Any unexpended capital outlay or capital maintenance funds appropriated by previous General Assemblies for completed or discontinued projects shall be accumulated in a capital account to be administered by Finance and Administration. Expenditure of these funds is subject to approval by the State Building Commission upon recommendation by the Commissioner of Finance and Administration of each project to be provided for from said funds.

Item 3. From the appropriations made to the State Funding Board in Section 1, Title III-27, the Funding Board is hereby authorized to allocate and provide to the Capital Projects Fund such funds not required for debt service during fiscal year 1996-97 for projects duly authorized and approved by the General Assembly; provided, however, that when the Funding Board allocates funds under this provision, any other appropriation or bond authorization for said purpose is hereby reduced accordingly.

Item 4. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration, with the approval of the State Building Commission, is authorized to charge the administrative costs of the construction programs to the capital outlay appropriations or to transfer from the Capital Projects Fund to the general fund an amount sufficient to cover those costs. Such expenditures shall be from non-bond proceeds.

Item 5. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to establish and charge the costs of design and engineering positions to the capital outlay appropriations or to transfer from the Capital Projects Fund to the general fund an amount sufficient to cover these costs. This item is subject to approval by the State Building Commission.

Item 6. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration, with the approval of the State Building Commission, is authorized to transfer the appropriations for capital outlay to the Department of Finance and Administration to provide for the centralized administration of capital outlay. It is further the legislative intent to allow for centralized administration of any project recommended by the Commissioner of Finance and Administration and approved by the State Building Commission.

Item 7. To the extent that the accumulated yearly interest and earnings of the Natural Resources Trust Fund are available through June 30, 1996, said funds are hereby appropriated to the Department of Environment and Conservation to be available for projects which are reviewed and evaluated under procedures established by the authority of Tennessee Code Annotated, Section 11-14-308.

Item 8. There is hereby appropriated to the Department of Mental Health and Mental Retardation the proceeds from the sale of any real property and facilities being used by the department. The appropriation shall be available to fund the department's master plan for facilities subject to approval by the State Building Commission.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2 to the contrary.

Item 9. Other provisions of the law to the contrary notwithstanding, any proceeds from the sale of surplus land and real property in Davidson County are hereby reappropriated to the Department of Finance and Administration to provide for the state's office space and support facilities requirements in Davidson County.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2 to the contrary. Any reappropriation made pursuant to the provisions of this item is subject to the approval of the State Building Commission.

Item 10. From the appropriation made in Section 1, Title III-7 to the Department of Correction, Sentencing Act of 1985, there is hereby reappropriated to the department for capital outlay purposes the sum of \$8,300,000. There is further reappropriated the sum of \$7,400,000 to the State Funding Board for debt service requirements on construction bonds authorized by this General Assembly for the department and the board is directed to cancel bonds in said amount. The appropriation and transfer of funds are made under the provisions of Tennessee Code Annotated, Section 9-6-119.

SECTION 3.

Item 1. Appropriations made under Section 1, Titles III-11 and III-16 for the operation of the state regulatory boards, shall be subject to allotment by the Commissioner of Finance and Administration, and no expenditure shall be made by any said boards out of fees collected by them unless and until such allotments have been made by the Commissioner of Finance and Administration. Such allotments for the operation of said respective boards as are made by the Commissioner of Finance and Administration shall be disbursed under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1.

The allotment hereinabove provided shall be subject to the condition that no money shall be paid therefrom for the salary of any employee of said boards unless and until such salary has been approved by the Commissioner of Personnel. The appointment of all employees of said boards shall likewise be approved by the Commissioner of Personnel.

Notwithstanding any provision of law to the contrary, no member of any board or commission established by law or pursuant to law, which receives an appropriation under this act, regardless of the source of funding, shall receive any compensation, whether denominated per diem or by whatever name called, except for days in which such member actually works four (4) or more hours performing duties directly relating to that board's or commission's activities, or for time or days spent attending meetings of that board or commission. The chairman or head of each board or commission, the department head to which such board or commission is attached administratively, and the Commissioner of Finance and Administration, shall prescribe procedures to contain, as a minimum, a certification of time worked by each member claiming compensation.

Item 2. Except as otherwise provided in this section, the appropriations to the Wildlife Resources Agency under Section 1, Title III-6 shall be paid out of the special fund

established under Tennessee Code Annotated, Title 70, Chapter 1, Part 4 and Section 69-10-203. Such appropriations shall be expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1, and shall be used only for the expenses of the Wildlife Resources Agency pursuant to Tennessee Code Annotated, Title 70 and Title 69, Chapter 10, Part 2, and no part of the unexpended fund left at the end of the fiscal year shall be used for any other purpose but shall be carried over in said fund and may be expended during the next year, and all of said fees and revenues provided by Tennessee Code Annotated, Title 70 and Title 69, Chapter 10, Part 2, are herein specifically apportioned and appropriated to the use and for the benefit of the Wildlife Resources Agency to be expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1. Nothing in this item shall be construed as relieving the Wildlife Resources Agency of the duty of policing littering of lakes and streams.

Item 3. The appropriation to the State Board of Law Examiners in Section 1, Title II, Item 12, shall be from funds generated by fees collected by the board under the provisions of Tennessee Code Annotated, Title 23, Chapter 1.

In case the appropriation to the board shall prove inadequate to allow the board to function efficiently, the Commissioner of Finance and Administration may make an additional allotment thereto from the general fund, the total of all allotments to the board not to exceed the revenues paid into the treasury by the board.

Item 4. The appropriation to the Department of Financial Institutions in Section 1, Title III-12, shall be derived from banking fees assessed pursuant to Tennessee Code Annotated, Title 45, Chapter 1, Part 1. No part of the unexpended fees left at the end of the fiscal year shall revert to the general fund.

DEPARTMENTAL REVENUES

SECTION 4. All departmental revenue of every kind, as hereinafter defined, collected by any department, institution, office, or agency, in the course of its operations, for its own use, are hereby appropriated to it in addition to the specific appropriations made by this act. Federal aid funds granted to the state for the use of or to be administered by any department, institution, or agency, are likewise appropriated. For the purpose of this section "departmental revenues" are defined as (1) earnings or charges for goods or services; (2) donations, contributions or participation by political subdivisions, foundations, corporations, firms or persons. State revenues, in contradistinction to departmental revenues, are the proceeds of taxes, licenses, fees, fines, forfeiture or other imposts laid specifically by law.

Notwithstanding any provision of the previous paragraph, the Department of Health shall deposit all funds generated by fees or taxes collected by such entity in the general fund of the state. Any appropriations for the operation of such entity shall be subject to allotment by the Commissioner of Finance and Administration, and no expenditure shall be made by any such entity out of fees or taxes collected by it, unless and until such allotments have been made by the Commissioner of Finance and Administration. Such allotments for the operation of such entity as are made by the Commissioner of Finance and Administration shall be disbursed under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1.

The departmental revenues and federal aid funds appropriated under this act shall include the amounts hereinafter set out:

I. LEGISLATIVE		<u>1996-97</u>
1. General Assembly - Legislative Expense	\$	20,000.00
2. Legislative Service - Sales and Distribution		207,200.00
3. House of Representatives		25,800.00
4. State Senate		45,000.00
Total Title I.....	\$	298,000.00

II. JUDICIAL		
1. Appellate and Trial Courts.....	\$	22,300.00
2. Supreme Court Buildings		467,500.00
3. Child Support Referees		540,700.00
4. Indigent Defendant's Counsel		5,000.00
5. Tennessee State Law Libraries.....		20,000.00
6. Appellate Court Clerks		1,328,500.00
7. Judicial Council and Conference.....		5,000.00
Total Title II	\$	2,389,000.00

III. EXECUTIVE

1. Constitutional and Quasi-Judicial Offices

1. Attorney General and Reporter		
1.1 Attorney General and Reporter	\$	7,740,400.00
1.2 Publications		15,000.00
1.3 Special Litigation		65,000.00
Total Attorney General and Reporter	\$	7,820,400.00
2. District Attorneys General		
2.1 District Attorneys General	\$	630,100.00
2.2 Executive Secretary		232,500.00
2.3 IV-D Child Support		7,583,900.00
Total District Attorneys General	\$	8,446,500.00
3. Department of State		
3.1 Secretary of State.....	\$	1,488,400.00
3.2 Library and Archives.....		1,104,700.00
3.3 Regional Libraries		1,071,600.00
3.4 Construction Grants		400,000.00
3.5 Registry of Election Finance.....		24,000.00
Total Department of State	\$	4,088,700.00

4.	Public Defenders		
4.1	District Public Defenders	\$	150,000.00
	Total Public Defenders.....	\$	150,000.00
5.	Office of the Comptroller of the Treasury		
5.1	Management Services.....	\$	88,100.00
5.2	Capitol Print Shop		1,125,200.00
5.3	State Audit.....		3,645,700.00
5.4	County Audit.....		720,400.00
5.5	Municipal Audit.....		272,200.00
5.6	Bond Finance		210,600.00
5.7	Property Assessments		1,603,700.00
5.8	State Board of Equalization.....		11,000.00
5.9	Administration.....		10,000.00
	Total Office of the Comptroller of the Treasury	\$	7,686,900.00
6.	Department of Treasury		
6.1	Treasurer's Office.....	\$	9,302,300.00
	Total Department of Treasury	\$	9,302,300.00
7.	Tennessee Regulatory Authority	\$	215,000.00
8.	Claims and Compensation		
8.1	Criminal Injuries Compensation	\$	1,757,600.00
8.2	Claims Award Reserve Fund.....		32,079,900.00
8.3	Unclaimed Property		3,315,000.00
8.4	Risk Management		800,600.00
	Total Claims and Compensation	\$	37,953,100.00
	Total Title III-1	\$	75,662,900.00
2.	Executive Offices		
1.	Governor's Office		
1.1	Intergovernmental Conferences and Special Operations	\$	15,000.00
	Total Executive Programs	\$	15,000.00
2.	Commissions		
2.1	Commission on Children and Youth.....	\$	3,837,000.00
2.2	Commission on Aging		19,747,500.00
2.3	Alcoholic Beverage Commission.....		1,224,700.00
2.4	Human Rights Commission.....		571,800.00
2.5	Advisory Commission on Intergovernmental Relations		120,000.00
2.6	Council of Juvenile and Family Court Judges		72,200.00

2.7	Tennessee Housing Development Agency	53,394,900.00
2.8	Tennessee Arts Commission	502,600.00
2.9	Tennessee State Museum	52,800.00
	Total Commissions.....	\$ 79,523,500.00
3.	Department of Finance and Administration	
3.1	Administration.....	\$ 4,896,100.00
3.2	Office for Information Resources.....	99,267,600.00
3.3	Insurance Administration.....	3,355,500.00
3.4	Accounts.....	4,221,100.00
3.5	Criminal Justice Administration	12,299,700.00
3.6	Resource Development and Support	2,021,100.00
3.7	Capital Projects Management	200,000.00
3.8	Real Property Management	2,654,100.00
3.9	National and Community Services	2,891,400.00
	Total Department of Finance and Administration.....	\$ 131,806,600.00
4.	Department of Personnel	
4.1	Administration.....	\$ 424,900.00
4.2	Human Resource Development	1,074,400.00
4.3	Technical Services	1,568,800.00
	Total Department of Personnel	\$ 3,068,100.00
5.	Department of General Services	
5.1	Administration.....	\$ 3,274,600.00
5.2	Postal Services.....	13,725,800.00
5.3	Property Utilization	1,764,700.00
5.4	Motor Vehicle Management	28,511,200.00
5.5	Property Management.....	7,142,900.00
5.6	Printing	5,761,700.00
5.7	Purchasing	4,490,400.00
5.8	Systems Management.....	1,277,700.00
5.9	Central Stores	4,640,800.00
5.10	Records Management	1,083,800.00
5.11	Comprehensive Food Services	6,701,800.00
	Total Department of General Services	\$ 78,375,400.00
6.	Veterans Affairs	\$ 289,700.00
	Total Title III-2.....	\$ 293,078,300.00
3.	Department of Agriculture	
1.	Administration	\$ 63,900.00
2.	Animal Industries.....	370,500.00
3.	Plant Industries	2,506,000.00
4.	Quality and Standards.....	421,500.00
5.	Marketing	212,100.00

6. Commodity Distribution	2,877,100.00
7. Agricultural Resources	2,000,500.00
8. Technical Services	255,400.00
9. Forestry	3,119,500.00

Total Title III-3..... \$ 11,826,500.00

4. Department of Tourist Development

1. Division of Administration and Travel Promotion.....	\$ 60,000.00
2. Welcome Center Services.....	2,380,200.00

Total Title III-4..... \$ 2,440,200.00

5. Department of Environment and Conservation

1. Administrative Services	\$ 3,815,000.00
2. Conservation Administration	308,300.00
3. Historical Commission.....	504,200.00
4. Land/Water Conservation Fund/Community Grants	750,000.00
5. Archaeology	298,400.00
6. Geology	155,300.00
7. State Parks.....	23,431,900.00
8. State Parks Maintenance	1,532,000.00
9. Natural Heritage	199,400.00
10. Tennessee Ocoee Development Agency.....	3,725,000.00
11. West Tennessee Rivers Authority	182,700.00
12. Environment Administration	233,600.00
13. Environmental Assistance	472,100.00
14. Air Pollution Control	8,358,300.00
15. Radiological Health	4,065,200.00
16. Construction Grants and Loans	29,139,300.00
17. Water Pollution Control	6,562,900.00
18. Solid Waste Management	6,265,800.00
19. D.O.E. Oversight	10,588,100.00
20. Hazardous Waste Remedial Action Fund	9,381,000.00
21. Water Supply.....	3,195,700.00
22. Groundwater Protection	4,429,400.00
23. Underground Storage Tanks.....	2,416,100.00
24. Solid Waste Assistance Fund	25,300.00

Total Title III-5..... \$ 120,035,000.00

6. Wildlife Resources Agency

1. Wildlife.....	\$ 9,138,200.00
2. Boating	986,300.00

Total Title III-6..... \$ 10,124,500.00

7. Department of Correction

1. Administration	\$	3,707,700.00
2. Field Services.....		180,000.00
3. Knoxville Community Service Center		112,400.00
4. Tennessee Correction Academy.....		18,300.00
5. Nashville Community Service Center.....		393,600.00
6. Wayne County Boot Camp.....		118,800.00
7. Chattanooga Community Service Center.....		126,000.00
8. Brushy Mountain State Penitentiary.....		318,500.00
9. Cold Creek Correctional Center		327,900.00
10. Tennessee Prison for Women.....		429,600.00
11. Turney Center		659,000.00
12. Mark Luttrell Reception Center		225,600.00
13. Middle Tennessee Reception Center.....		356,300.00
14. Southeast Tennessee State Regional Correctional Facility.....		595,400.00
15. Morgan County Regional Correctional Facility		617,500.00
16. Middle Tennessee Technical Violators Facility		278,500.00
17. Carter County Work Camp.....		205,800.00
18. Lake County Regional Correctional Facility		459,600.00
19. West Tennessee High Security Facility.....		401,600.00
20. Riverbend Maximum Security Facility		401,400.00
21. Northeast Correctional Center		801,100.00
22. Northwest Correctional Center.....		810,500.00
23. Lois M. DeBerry Special Needs Facility		453,700.00
24. Correctional Enterprises.....		18,025,000.00
Total Title III-7.....	\$	30,023,800.00

8. Department of Economic and
Community Development

1. Division of Administrative and Support Services.....	\$	130,000.00
2. Division of Industrial Development.....		90,000.00
3. Division of Community Development		1,344,500.00
4. Division of Energy		6,160,000.00
5. Industrial Training.....		75,000.00
6. Small Business Energy Loan Program		2,500,000.00
7. Local Government Energy Loan Program.....		3,000,000.00
8. Division of Business Services		1,779,200.00
9. Regional Grants Management		31,783,400.00
Total Title III-8.....	\$	46,862,100.00

9. Department of Education

1. Administration	\$	934,000.00
2. Elementary and Secondary Education - ESEA		

Chapter 1 and Chapter 2.....	141,616,400.00
3. Curriculum and Instruction	401,900.00
4. Education Technology.....	185,900.00
5. Federally Supported LEA Programs	11,401,200.00
6. Educate American Act.....	6,500,000.00
7. Child Nutrition Programs	120,764,000.00
8. Services to Children with Disabilities	82,021,800.00
9. Tennessee Early Childhood and Family Services.....	37,400.00
10. Vocational Education Programs.....	25,082,300.00
11. Vocational Education Advisory Council.....	223,700.00
12. Adult and Community Education.....	10,335,700.00
13. Alvin C. York Institute.....	612,400.00
14. Tennessee School for the Blind	453,500.00
15. Tennessee School for the Deaf.....	307,900.00
16. West Tennessee School for the Deaf	64,800.00
17. Tennessee Preparatory School.....	10,088,800.00

Total Title III-9..... \$ 411,031,700.00

10. Higher Education

1. Tennessee Higher Education Commission	\$ 1,174,400.00
2. Tennessee Student Assistance Corporation.....	8,641,000.00
3. Tennessee Student Assistance Awards.....	1,172,400.00
4. Guaranteed Student Loan Programs	65,100,000.00
5. Loan/Scholarship Programs.....	1,268,000.00
6. Academic Scholars Program.....	259,500.00

Total Title III-10..... \$ 77,615,300.00

11. Department of Employment Security..... \$ 58,367,000.00

Total Title III-11..... \$ 58,367,000.00

12. Department of Commerce and Insurance

1. Administration	\$ 330,200.00
2. Insurance	3,452,600.00
3. Fire Prevention.....	7,544,200.00
4. Securities	1,207,100.00
5. Regulatory Boards	135,000.00
6. Claims Commission	784,800.00
7. TennCare Oversight	896,400.00

Total Title III-12..... \$ 14,350,300.00

13. Department of Financial Institutions..... \$ 2,041,800.00

Total Title III-13..... \$ 2,041,800.00

14. Department of Labor

1.	Administration	\$	662,500.00
2.	Tennessee Occupational Safety and Health Administration (TOSHA).....		2,349,800.00
3.	Workers' Compensation		32,000.00
4.	Mines.....		116,600.00
5.	Boilers and Elevators		1,703,000.00
6.	Labor Standards.....		140,800.00
7.	Manpower Training		43,300,900.00
8.	Second Injury Fund		200,000.00
	Total Title III-14.....	\$	48,505,600.00

15. Department of Mental Health
and Mental Retardation

1.	Administration		
1.1	Administrative Services Division	\$	992,600.00
	Total Administrative Services Division	\$	992,600.00
2.	Mental Health Services		
2.1	Mental Health Services Administration.....	\$	1,480,400.00
2.2	Community Mental Health Services		108,265,800.00
2.3	Lakeshore Mental Health Institute.....		27,617,300.00
2.4	Middle Tennessee Mental Health Institute		31,634,400.00
2.5	Western Mental Health Institute		23,355,400.00
2.6	Moccasin Bend Mental Health Institute		17,685,100.00
2.7	Memphis Mental Health Institute		13,043,500.00
	Total Mental Health Services	\$	223,081,900.00
3.	Mental Retardation Services		
3.1	Mental Retardation Administration	\$	202,000.00
3.2	Mental Retardation Community Services		88,678,600.00
3.3	Developmental Disabilities Council		1,500,600.00
3.4	Arlington Developmental Center		38,455,500.00
3.5	Clover Bottom Developmental Center.....		38,114,600.00
3.6	Greene Valley Developmental Center.....		44,567,000.00
3.7	Nat T. Winston Developmental Center.....		9,613,900.00
3.8	Regional Offices of Community Services		244,400.00
	Total Mental Retardation Services	\$	221,376,600.00
	Total Title III-15.....	\$	445,451,100.00

16. Department of Youth Development

1.	Administration	\$	4,769,400.00
2.	Juvenile Field Services		10,428,200.00
3.	John S. Wilder Youth Development Center		6,483,300.00
4.	Taft Youth Development Center		8,545,900.00
5.	Woodland Hills Youth Development Center.....		7,829,300.00
6.	Mountain View Development Center		8,399,800.00

7. Community Residential Programs	16,805,100.00
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Total Title III-16.....	\$ 63,261,000.00
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17. Department of Military

1. Administration.....	\$ 213,300.00
2. Tennessee Army National Guard.....	4,580,100.00
3. Tennessee Air National Guard.....	8,575,800.00
4. Tennessee Emergency Management Agency	3,965,200.00
5. Armories Major Maintenance	1,636,200.00
6. Disaster Relief Grants	5,000,000.00
7. Armories Utilities	888,800.00

Total Title III-17.....	\$ 24,859,400.00
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18. Department of Health

1. Administration	
1.1 Executive Administration	\$ 553,500.00
1.2 Bureau of Administrative Services	1,115,300.00
1.3 Bureau of Information Resources.....	1,839,400.00
Total Administration.....	\$ 3,508,200.00

2. Manpower Resources and Facilities	
2.1 Health Care Facilities	\$ 5,489,800.00
2.2 Emergency Medical Services	712,900.00
2.3 Laboratory Services	5,274,700.00
Total Manpower Resources and Facilities	\$ 11,477,400.00

3. Community Health Services	
3.1 Division of Environmental Health	\$ 60,800.00
3.2 Health Services Administration	250,300.00
3.3 Maternal and Child Health.....	8,702,400.00
3.4 Division of Special Services	13,987,800.00
3.5 Communicable Disease Control.....	9,634,300.00
3.6 Population Based Services	9,528,800.00
3.7 Women, Infants and Children (WIC)	81,080,400.00
3.8 Community Health Agencies	1,000,000.00
3.9 HSA Medical Programs	290,300.00
Total Community Health Services	\$ 124,535,100.00

4. Local Health	
4.1 Local Health Services.....	\$ 64,178,700.00
Total Local Health	\$ 64,178,700.00

5. Alcohol and Drug Abuse Services	
5.1 Alcohol and Drug Abuse Services.....	\$ 22,989,300.00
Total Alcohol and Drug Abuse Services.....	\$ 22,989,300.00

Total Title III-18.....	\$	226,688,700.00
19. Department of Human Services		
1. Administration		
1.1 Division of Administration	\$	36,382,800.00
1.2 Field Operations		16,534,500.00
1.3 County Rentals.....		14,138,900.00
Total Administration.....	\$	67,056,200.00
2. Family Assistance Services		
2.1 Child Support.....	\$	37,821,100.00
2.2 Temporary Cash Assistance		160,280,000.00
2.3 Family Assistance Services.....		55,203,600.00
2.4 Disaster Relief		1,500,000.00
Total Family Assistance Services.....	\$	254,804,700.00
3. Social Services		
3.1 Social Services.....	\$	49,908,500.00
3.2 Community Services		171,664,100.00
Total Social Services.....	\$	221,572,600.00
4. Rehabilitative Services		
4.1 Vocational Rehabilitation.....	\$	57,831,800.00
4.2 Disability Determination.....		29,690,600.00
Total Rehabilitative Services	\$	87,522,400.00
Total Title III-19.....	\$	630,955,900.00
20. Department of Revenue		
1. Administration	\$	1,249,300.00
2. Tax Enforcement.....		2,203,200.00
3. Fiscal Services		137,700.00
4. Management Information Systems		2,205,800.00
5. Taxpayer Services		1,123,000.00
6. Field Audit.....		4,131,000.00
7. Office Audit and Examination.....		2,014,700.00
8. Processing		1,427,000.00
Total Title III-20	\$	14,491,700.00
21. Tennessee Bureau of Investigation	\$	6,971,900.00
Total Title III-21	\$	6,971,900.00
22. Department of Safety		

1. Administration	\$	260,000.00
2. Driver License Issuance.....		11,103,000.00
3. Highway Patrol		3,492,600.00
4. Auto Theft Investigations.....		170,400.00
5. Equipment		250,000.00
6. Training Academy		503,700.00
7. Titling and Registration		6,725,700.00
8. Technical Services		7,930,300.00

Total Title III-22 \$ 30,435,700.00

23. Miscellaneous Appropriations

1. Miscellaneous Appropriations	\$	37,486,800.00
Total Title III-23.....	\$	37,486,800.00

24. Children's Services

1. Administration	\$	14,649,800.00
2. Direct Child and Family Services		224,463,300.00
3. Medical Services		29,755,900.00
4. Office of Children's Services Administration		7,521,200.00
Total Title III-24.....	\$	276,390,200.00

25. TennCare

1. TennCare Administration	\$	64,272,900.00
2. TennCare Services		1,561,350,200.00
3. Long-Term Care Services		507,314,300.00
4. Waiver and Crossover Services		176,638,900.00
Total Title III-25.....	\$	2,309,576,300.00

26. Department of Transportation

1. Highway Maintenance	\$	100,000.00
2. Highway Betterments		100,000.00
3. State Aid.....		11,250,000.00
4. State Industrial Access.....		100,000.00
5. Local Interstate Connectors		1,500,000.00
6. Mass Transit.....		12,560,000.00
7. Planning and Research.....		6,300,000.00
8. Interstate Construction		67,600,000.00
9. Forest Highways		600,000.00
10. State Highway Construction.....		255,400,000.00
11. Bridge Replacement.....		55,300,000.00
12. Air, Water and Rail Transportation.....		6,800,000.00

Total Title III-26..... \$ 417,610,000.00

REFUND OF RECEIPTS

SECTION 5.

Item 1. There is hereby appropriated the necessary and sufficient sums to refund any collection or part thereof made erroneously or illegally for the use or benefit of the state or any of its departments, institutions, offices or agencies. Such refunds shall be made in accordance with existing law as applicable in any particular case. In case revenues are not adequate to meet in full all appropriations made, the appropriations made for Sinking Fund Debt Service and the amounts necessary to cover the salary and wage obligations of the state shall have preferential payment.

Item 2. With respect to any revenues or receipts collected by any department or agency with the exception of those collected by the Department of Revenue, notwithstanding any provisions of the law to the contrary, such amounts as are determined to have been erroneously paid may be refunded by such procedure as may be approved by the Commissioner of Finance and Administration and the Comptroller of the Treasury.

SECTION 6. In addition to the appropriations made to the State Funding Board in Section 1, Title III-27 of this act, there is appropriated the following items:

Item 1. There is hereby appropriated a sum sufficient from the internal service funds available to the Department of Finance and Administration, Office of Information Resources, to provide the debt service on general obligation bond and note issues authorized in the following amounts:

(1) Chapter 425, Public Acts of 1985	\$ 15,000,000.00
(2) Chapter 875, Public Acts of 1986	\$ 5,702,000.00
(3) Chapter 525, Public Acts of 1989	\$ 13,698,000.00
(4) Chapter 493, Public Acts of 1991	\$ 10,600,000.00
(5) Chapter 930, Public Acts of 1992	\$ 17,700,000.00
(6) Chapter 850, Public Acts of 1994	\$ 13,800,000.00

Item 2. There is hereby appropriated a sum sufficient from the internal service funds available to the state's Equipment Revolving Fund to provide the debt service on general obligation bond and note issues authorized in the following amounts:

(1) Chapter 945, Public Acts of 1988	\$ 401,000.00
(2) Chapter 947, Public Acts of 1990	\$ 6,626,000.00
(3) Chapter 1010, Public Acts of 1994	\$ 20,000,000.00

Item 3. From the funds appropriated in Section 1, Title III-27, Item 5, Amortization of Authorized and Unissued Highway Bonds, the sum of \$138,000,000.00 is appropriated in lieu of issuing highway bonds authorized under the provisions of Chapter 493, Public Acts of 1991, and the sum of \$24,800,000.00 is appropriated in lieu of issuing highway bonds authorized under the provisions of Chapter 533, Public Acts of 1993. The State Funding Board shall take the necessary action to cancel the unissued bonds.

Item 4. From the revenues and reserves available to the Tennessee Wildlife Resources Agency, the sum of \$500,000.00 is appropriated in lieu of issuing bonds authorized for the Tennessee Wildlife Resources Agency under the authority of Chapter 947, Public Acts of 1990. The State Funding Board shall take the necessary action to cancel the unissued bonds.

Item 5. For the purpose of defraying the costs of issuance of debt and the administration of authorized programs of the Tennessee Local Development Authority, there is hereby appropriated to the Tennessee Local Development Authority an amount not to exceed \$25,000.00 from the State Loan Program Fund. Such amounts shall be determined as necessary by the State Funding Board and the Tennessee Local Development Authority.

Item 6. There is appropriated a sum sufficient from the internal service funds available to the Department of Finance and Administration, Office for Information Resources, to provide the debt service on general obligation bond and note issues authorized in the amount of \$13,800,000.00 under Chapter 850, Public Acts of 1994.

Item 7. From the appropriation made in Section 1, Title III-27 of this act to the State Funding Board, the sum of \$1,948,000.00 is earmarked to pay interest on general obligation notes issued under the authority of Chapter 850, Public Acts of 1994 for state parks. Any unexpended balance of the earmarked funds is hereby reappropriated to the Department of Environment and Conservation for state parks capital outlay purposes as provided by Chapter 1029, Public Acts of 1992 and said balance shall be transferred to the capital projects fund.

Item 8. From the appropriation made in Section 1, Title III-27 of this act to the State Funding Board, the sum of \$283,000.00 is earmarked to pay interest on general obligation notes issued under the authority of Senate Bill No. / House Bill No. , for state parks.

Item 9. From the appropriation made in Section 1, Title III-27 of this act to the State Funding Board, the sum of \$3,300,000.00 is earmarked to pay interest on general obligation notes issued under the authority of Senate Bill No. 2060 / House Bill No. 2018 for the purpose of making a grant to the Metropolitan Government of Nashville and Davidson County for the construction of a sports stadium. Said appropriation shall be funded from the sales tax revenues allocated under the provisions of Tennessee Code Annotated, Section 67-6-103(d)(1) and any revenues in excess of debt service requirements shall be reserved at June 30 and not revert to the fund balance.

SECTION 7. The appropriations made by this act under Sections 1 and 4 shall be subject to the following provisions, limitations, or restrictions. From the funds appropriated to the:

Item 1. It is the legislative intent that annual dues assessed by the Council of State Governments (CSG) and the National Conference of State Legislatures (NCSL) be paid quarterly and timely from the funds appropriated in Section 1, Title III-2, Item 1.2 (Intergovernmental Conferences and Special Operations). CSG dues for 1996-97 shall be remitted in four (4) equal payments \$24,775 (\$99,100 annualized), and NCSL dues shall be remitted in four (4) equal payments \$27,895.25 (\$111,581 annualized).

Item 2. General Assembly the sum of \$60,000.00 is to defray the expenses of the Southern Legislative Conference's Fiftieth Anniversary meeting to be held in Nashville in 1996.

Item 3. District Attorneys General in Section 1, Title III-1, Item 2.1, an amount of \$1,050,000.00 is for the victim-witness coordinator program authorized by Tennessee Code Annotated, Section 8-7-206. The appropriations in this item are from the apportionment of the privilege tax to the Victims of Crime Assistance Fund, as provided in Tennessee Code Annotated, Section 67-4-606. The Commissioner of Finance and Administration is authorized to adjust these appropriations to reflect the funds available and to carry forward any unexpended balance in the Victims of Crime Assistance Fund pursuant to Tennessee Code Annotated, Section 9-4-205.

Item 4. From the appropriation in Section 1, Title III-1, Item 2.1, District Attorneys General, there shall be paid the expenses of the District Attorney General's office in Shelby County, Davidson County, Hamilton County and Knox County, as now provided by law, such combined expense not to exceed six thousand four hundred fifty dollars (\$6,450.00) in any fiscal year.

Item 5. From the appropriation made for the State Election Commission under Section 1, Title III-1, Item 3.2, there is hereby appropriated funds for expenses of the State Election Commission, including the printing of election laws, the office of the Coordinator of Elections, and other expenses of administering election laws. The salary of each member of the State Election Commission shall be seven thousand two hundred dollars (\$7,200.00) annually, except that the Chairman shall be paid an additional one thousand eight hundred dollars (\$1,800.00) annually for additional duties required of him and the Secretary shall be paid an additional one thousand two hundred dollars (\$1,200.00) annually for additional duties required of him. The Secretary of State is hereby authorized to make all necessary purchases of election supplies from funds appropriated for such purpose in accordance with state purchasing procedures.

Item 6. From the funds appropriated to the Office of the Comptroller of the Treasury and the Department of Finance and Administration, there is hereby authorized to be allocated an amount not to exceed \$45,000.00 for the purpose of meeting the State of Tennessee's participation in the cost of supporting the National Council on Governmental Accounting or a governmental accounting standards board in the establishment of governmental accounting standards and principles.

Item 7. Maintenance of the Governor's Mansion in the amount of forty-eight thousand dollars (\$48,000.00) per year, and travel expenses as certified by the Governor, shall be paid monthly by the Commissioner of Finance and Administration from the appropriations made under Section 1, Title III-2, Item 1.1 for the Governor's Office, it being the legislative intent that the mansion should be maintained and operated as the official residence and office of the Chief Executive of Tennessee in a manner required of the Office of Governor.

Item 8. Tennessee Arts Commission in Section 1, Title III-2, Item 2.10, the sum of \$80,000.00 is hereby appropriated for the purpose of making a grant to Fisk University for the necessary staff, services and other costs associated with maintaining and showing the Stieglitz Collection at Fisk University. It is the legislative intent that this appropriation is a

direct appropriation grant and that it be processed accordingly by the Commissioner of Finance and Administration.

Item 9. Tennessee Arts Commission in Section 1, Title III-2, Item 2.10, the sum of \$100,000.00 which is granted to the Knoxville Arts Council for ticket subsidies for students in east Tennessee shall provide for a sub-grant in the amount of \$27,606 to the Allied Arts of Greater Chattanooga. It is the legislative intent that the grant be shared on a per student basis.

Item 10. Department of Correction in Section 1, Title III-7, the department is authorized to make a grant of up to \$50,000.00 each to "Project Return" and to Dismas House.

Item 11. Department of Employment Security in Section 4, Title III-11, the sum of \$2,500,000.00 is specifically appropriated from the unemployment compensation special administrative fund under the provisions of Tennessee Code Annotated, Section 50-7-503.

Item 12. Commission on Fire Fighting Personnel Standards and Education in Section 1, Title III-11, Item 6, funds are earmarked for payment to eligible units of local government to pay bonus supplements to firemen who successfully complete during calendar year 1996 an in-service training program appropriate to such fireman's rank and responsibility and the size and location of his department of at least forty (40) hours' duration at a school established or certified by such commission. The funds appropriated by this item shall be disbursed in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 24 and Section 56-4-205(c) and no supplement to any person shall exceed four hundred fifty dollars (\$450.00).

Item 13. Department of Health in Section 1, Title III-16, the amount of one hundred twenty-five thousand dollars (\$125,000.00) is to be paid to St. Jude Hospital in Memphis to defray, in whole or in part, the expenses of patients and their families who are citizens and residents of Tennessee in traveling to and from St. Jude Hospital. Such payments shall be administered by the hospital and shall be made on the basis of need. Such patients, or their families, requesting assistance from these funds shall supply such documents supporting need and travel expenses as the hospital may require.

Item 14. Department of Human Services in Section 1, Title III-17, Item 3.2, for Community Services, the sum of \$325,000.00 is hereby appropriated to fund child abuse prevention services. It is the legislative intent to fund the program established under the provisions of Chapter 930, Public Acts of 1984.

Item 15. Department of Human Services in Section 1, Title III-17 and to Children's Services in Section 1, Title III-22 of this act, there is hereby earmarked the sum of \$1,200,000.00 from the proceeds of the \$15.00 privilege tax on marriage licenses for purposes of funding family violence shelters and shelter services. This appropriation is made under the provisions of Tennessee Code Annotated, Section 67-4-411.

Item 16. POST Commission in Section 1, Title III-20, funds are earmarked for payment to eligible units of local government which have required all police officers to complete during calendar year 1996 an in-service training course appropriate to each officer's rank and responsibility commensurate with the size and location of his department of at least forty (40) hours' duration at a school certified or recognized by the Peace Officer

Standards and Training Commission. The funds appropriated by this item shall be disbursed in accordance with the provisions of Tennessee Code Annotated, Title 38, Chapter 8, Part 1, and no recipient shall be eligible to receive a supplement of more than six hundred dollars (\$600.00) pursuant to such appropriation.

Item 17. From the appropriation in Section 1, Title III-24, for the Emergency and Contingency Fund, there is hereby appropriated an amount not to exceed three hundred nineteen thousand three hundred dollars (\$319,300.00) for the following purposes: (1) forest fire control in the Division of Forestry, (2) payment of indemnities for destruction of livestock and extraordinary veterinary payrolls for cattle market fluctuations by the Department of Agriculture, (3) payment of extraordinary expenditures for insect and pest control efforts by the Department of Agriculture, and (4) the cost of personnel and equipment needed to restore law and order in instances arising out of civil disorders.

Item 18. From funds appropriated in Section 1, Title III-10, Item 4.4, the Board of Regents is hereby authorized to pay for additional audit activities by the Comptroller of the Treasury at the community colleges and technical institutes as may be mutually agreed by the Chancellor and the Comptroller. The appropriation in Section 4, Title III-1, Item 5.3, shall be increased by the amount of any such payments and the Comptroller is authorized to establish positions as may be necessary to accomplish the additional audit activity hereinabove authorized.

SECTION 8. In addition to the appropriations made in Section 1 of this act and subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1, there is hereby appropriated a sum sufficient:

Item 1. To pay all lawful claims due from the state to any of the several counties thereof on account of unpaid court costs, unpaid allotments of taxes distributable by the state to the counties and such other sums as may be due from the state to the counties, but none of such funds shall be distributed to the counties of the state until after the validity of the claims has been investigated and approved by the State Comptroller and the Governor. Provided, however, that such funds shall not include funds due to counties and cities for the state share of costs to cities and counties as required by Section 24, Article II, of the Constitution of Tennessee.

Item 2. To the Tennessee Code Commission for the following purposes: (1) to purchase pocket supplements for the state-owned sets of Tennessee Code Annotated; (2) to purchase replacement volumes for state-owned sets of Tennessee Code Annotated; (3) to purchase replacement sets of Tennessee Code Annotated; (4) to purchase sets of Tennessee Code Annotated for judges of new courts created during the 1996 Session of the General Assembly; (5) to purchase pocket supplements for the state-owned sets of the Index to the Private Acts of Tennessee; and (6) to pay for proofreading and other expenses involved in preparing supplements and replacement volumes for Tennessee Code Annotated.

Item 3. To pay the salaries and travel expenses of all persons appointed to sit as Special Judges, Special District Attorneys General and/or Special Prosecutors under statutes relating to the state judicial system.

Item 4. To provide for indigent defendants counsel in capital cases.

Item 5. To pay fees of special counsel who may be employed by the Governor, on recommendation of the Attorney General, and to pay other expenses in special cases of litigation involving the state. In matters involving the Public Service Commission, Housing Development Authority, Wildlife Resources Agency, financial institutions, regulatory boards and other programs and agencies funded by earmarked or dedicated revenues, the sum sufficient appropriation shall be provided from said earmarked or dedicated revenues. In matters involving departments, agencies and/or programs funded in whole or in part with federal aid and/or departmental revenues and reserves, the sum sufficient appropriation may be provided in whole or in part from said revenues and reserves.

Item 6. To the Registry of Election Finance from the lobbyist registration fees collected by the agency.

Item 7. To provide for payment of administrative law judge services. The Commissioner of Finance and Administration is authorized to allocate the funds to the appropriate organizational units and to adjust departmental revenues accordingly.

Item 8. To the Health Facilities Commission a sum sufficient from revenues collected by the agency for the purpose of paying indirect costs allocated to the agency and to pay audit costs.

Item 9. To the Department of Finance and Administration to provide for payments to the State Office Buildings and Support Facilities Revolving Fund for spaces occupied by the Tennessee State Museum and for other areas within the Tennessee Performing Arts Center.

Item 10. To the Office of Information Resources from the general obligation bonds/notes authorized under Chapter 425, Public Acts of 1985; Chapter 875, Public Acts of 1986; Chapter 525, Public Acts of 1989; Chapter 493, Public Acts of 1991; Chapter 930, Public Acts of 1992; and Chapter 850, Public Acts of 1994 for data processing services and telecommunications services.

Item 11. To the Department of Finance and Administration to reimburse the federal government for arbitrage on the state's general obligation debt.

Item 12. To the state's Equipment Revolving Fund from the general obligation bonds/notes authorized under Chapter 945, Public Acts of 1988; Chapter 947, Public Acts of 1990; and Chapter 1010, Public Acts of 1994 for the acquisition of equipment.

Item 13. To the Department of Veterans Affairs for operation of cemeteries to offset any undercollection of departmental revenues appropriated in Section 4, Title III-2 of this act. This appropriation shall be nonrecurring.

Item 14. To the Department of Agriculture from revenues available to the Agricultural Nonpoint Water Pollution Control Fund.

Item 15. To the Department of Environment and Conservation from revenues available to the Local Park Land Acquisition Fund and to the State Lands Acquisition Fund.

Item 16. To the Department of Environment and Conservation from the Petroleum Underground Storage Tank Fund.

Item 17. To the Department of Environment and Conservation, Environmental Protection Fund, from revenues and reserves available to the fund and departmental revenues shall be adjusted accordingly.

Item 18. To the Department of Environment and Conservation from the Solid Waste Management Fund.

Item 19. To the Department of Environment and Conservation for the state parks program from any revenues derived under Chapter 40, Public Acts of 1993.

Item 20. To the Department of Environment and Conservation for the purchase and maintenance of equipment at state parks from fees generated by the sale of environmental motor vehicle license plates under the provisions of Tennessee Code Annotated, Section 55-4-311.

Item 21. To the Department of Environment and Conservation from revenues, fees or other funds derived from the development and operations of new state golf courses on state property a sum sufficient to pay for the operations of such golf courses and debt service attributable to any obligations issued therefor pursuant to Chapter 528, Public Acts of 1993. Pursuant to procedures as may be determined by the Commissioner of Finance and Administration, such debt service payments shall be transferred to the debt service fund.

Subject to the approval of the Commissioner of Finance and Administration, there is hereby authorized to be expended from available funds of the state such amounts as may be necessary to pay debt service on any obligations issued pursuant to Chapter 528, Public Acts of 1993 prior to commencement of operations of any such golf course; provided, however, any state funds utilized for this purpose shall, together with interest thereon, be repaid from such golf course's revenues pursuant to terms and conditions as may be prescribed by the State Funding Board.

It is hereby declared to be the legislative intent that in determining the feasibility of any new golf course as contemplated by Chapter 528, Public Acts of 1993, the Department of Environment and Conservation and the State Building Commission shall take into consideration the repayment of any debt service payments made from state funds pursuant to the authority of this section.

Item 22. To the Wildlife Resources Agency from revenues available to the Wetlands Acquisition Fund and the Wetlands Compensation Fund.

Item 23. To the Wildlife Resources Agency from the general fund for any difference between the actual charges to the agency under the indirect cost allocation plan and the facilities revolving fund and the amounts the TWRA can justify.

Item 24. To the Wildlife Resources Agency from its own revenues to implement the programs, activities and projects approved by the Wildlife Resources Agency Commission. The Commissioner of Finance and Administration is authorized to adjust departmental revenue accordingly.

Item 25. To the Department of Economic and Community Development for administration of the Child Care Facilities Loan Guarantee Program. Said appropriation shall come from interest earnings allocated to the program under the provisions of Tennessee Code Annotated, Section 4-37-110.

Item 26. To the Department of Commerce and Insurance to purchase examinations for regulatory boards. This appropriation is contingent upon the fees collected for giving examinations being in excess of the budgeted estimates.

Item 27. To the Department of Commerce and Insurance for the Tennessee State Racing Commission to pay the costs associated with racing applications.

Item 28. To the Department of Military to provide for the cost of personnel and equipment needed to maintain law and order in instances arising out of civil disorders.

Item 29. To the Department of Military, Disaster Relief Grants, and to the Department of Human Services, Disaster Relief, for the purpose of matching federal funds and to the Department of Military to pay the administrative costs of the Disaster Relief Program. Said appropriations shall be made first from the Reserve for Disaster Relief and they are in addition to the appropriation made in Section 1, Title III-21, of this act.

Item 30. To the Department of Health from the "Nursing Home Resident Protection Trust Fund" under the provisions of Tennessee Code Annotated, Section 68-11-827.

Item 31. To the Department of Health from funds available under the Health Access Act of 1989, Tennessee Code Annotated, Sections 66-29-121 and 66-29-151.

Item 32. To the Department of Health from the "Child Safety Fund" to administer and fund the provisions of Tennessee Code Annotated, Section 55-9-602(f)(7).

Item 33. To the Department of Health, Health Related Boards, and to the Department of Commerce and Insurance, Division of Regulatory Boards, for data processing systems development and implementation. Said appropriations are subject to the provisions of Tennessee Code Annotated, Section 4-3-1011.

Item 34. To the Department of Transportation for payments to the Claims Award Fund. Said appropriation shall be made from the highway fund balance.

SECTION 9. In addition to the appropriations made in Section 4 of this act and subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1, there is hereby appropriated a sum sufficient:

Item 1. To the Attorney General and Reporter, if the appropriation made in Section 4, Title III-1, Item 1, shall prove inadequate to allow the Attorney General and Reporter to represent the state agencies and officials before the Claims Commission, or state agencies and officials in other cases of litigation or other legal matters. The Commissioner of Finance and Administration, upon the request of the Attorney General and Reporter, is hereby authorized to increase the departmental revenue estimate by an amount sufficient to provide for such representation and to establish such positions as may be required.

Item 2. To the Attorney General and Reporter from the attorneys' fees and expenses of litigation awarded under the provisions of Tennessee Code Annotated, Section 67-1-1803(d), or any other fees and expenses awarded to the Attorney General and Reporter. The Commissioner of Finance and Administration is authorized to adjust the appropriation made under Section 1, Title III-1, Item 1, to recognize any reimbursement for expenses already provided. The Commissioner of Finance and Administration is authorized to establish such positions as may be required.

Item 3. To the District Attorneys General, not to exceed \$252,000, under the provisions of Tennessee Code Annotated, Section 36-5-107(3).

Item 4. To the State Treasurer, with the concurrence of the Speaker of the Senate and the Speaker of the House of Representatives, for the purpose of developing and implementing programs designed to enhance investment performance, including programs designed to recruit and retain qualified investment staff.

Item 5. To the State Treasurer for payment of Unclaimed Property - Claims.

Item 6. To the Attorney General and Reporter a sum sufficient from the Claims Award Fund for the purposes of implementing the provisions of Tennessee Code Annotated, Title 8, Chapter 42 relative to legal representation for state employees as amended by Chapter 370, Public Acts of 1995. The Commissioner of Finance and Administration, upon the request of the Attorney General and Reporter, is authorized to establish such positions as may be required to implement the provisions of Tennessee Code Annotated, Title 8, Chapter 42.

Item 7. From federal funds available to the Tennessee Housing Development Agency, there is hereby appropriated a sum sufficient to meet obligations incurred by the agency, pursuant to the federal Section 8 program.

Item 8. To the Office for Information Resources from the revenues produced by the telecommunications network system. Further, it is the legislative intent that the net revenues received be allocated as follows: a) net revenues from higher education institutions and facilities shall be allocated to higher education as determined by the Commissioner of Finance and Administration; b) net revenues from the Department of Correction are hereby appropriated to the department; and c) all remaining net revenues are hereby appropriated for telecommunications purposes including office automation and electronic mail. From the appropriations made in b) and c) the sum of \$25,000.00 is earmarked for a victim's liaison telephone line.

Item 9. To the Department of General Services for equipment and supplies ordered but not delivered at June 30, 1996.

Item 10. To the Department of Environment and Conservation from monies received by the state in connection with oil overcharge judgments and earnings accruing thereon. This appropriation is for the purpose of supporting activities of the Solid Waste Management Fund, and it shall not revert at June 30, 1997, but shall remain available for expenditure.

Item 11. To the Department of Correction in an amount equal to the balance in the revolving fund of the Correctional Enterprises of Tennessee for benefit of the program.

Item 12. To the Department of Economic and Community Development to meet community development grant expenditure requirements in the 1996-97 fiscal year. This appropriation shall be from federal aid funds.

Item 13. To the Department of Employment Security from federal aid funds and other departmental revenues. Subject to this appropriation, authorized positions may be increased up to one hundred (100) positions.

Item 14. To the Department of Commerce and Insurance, Division of Fire Prevention, for payment of electrical inspections. This appropriation is contingent upon the fees collected for making electrical inspections being in excess of the budgeted estimate.

Item 15. To the Department of Human Services to recognize any non-AFDC child support payments processed by the department.

Item 16. To the Department of Safety, the Department of Revenue, the Tennessee Bureau of Investigation and the Alcoholic Beverage Commission from the proceeds of property seized and forfeited under federal procedures which are shared with the departments or the commission.

SECTION 10. The appropriations made by this act under Sections 1 and 4 shall be subject to the following provisions, limitations, or restrictions:

Item 1. Notwithstanding any provision of the law to the contrary, any institution which receives state funds appropriated by the provisions of this act shall be subject to audit by the Comptroller of the Treasury as to the expenditure and obligation of such funds.

Item 2. Any personal services, professional services or consultant services contracts concerning management services of all types, management studies, planning services, public relations, evaluations, systems designs, data processing, auditing or accounting services entered into by an executive department or agency of state government shall be executed by the head of such department or agency and shall be subject to approval by the Commissioner of Finance and Administration and the Comptroller of the Treasury. No funds appropriated under this act to a department or agency shall be used for such contracts unless such approval is received or is otherwise authorized by the approving officials. Any such contract entered into by agencies of the legislative or judicial branches shall be subject to the approval of the Comptroller of the Treasury.

Item 3. No funds appropriated by this act shall be obligated and/or expended for any newsletter, periodical, or other material which is to be distributed to all, or substantially all, state employees (excluding higher education) until the agency head proposing to make such distribution contacts the two Speakers and makes available equal space for legislative information in such newsletter, periodical, or other material. This item shall not apply to policy and/or procedural directives.

Item 4. No funds appropriated herein shall be used for abortions or terminations of pregnancy except to the extent that payment for such abortions or terminations is required by federal law.

Item 5. During fiscal year 1996-97 it is the legislative intent to encourage that all conferences, workshops, meetings, seminars, programs, and similar endeavors conducted for officials and/or employees of the legislative, executive, or judicial branch of state government be conducted in state facilities whenever practicable.

Item 6. From the appropriation for travel expenses of Justices of the Supreme Court and for the members of the Court of Appeals and the Court of Criminal Appeals, each member of said Courts shall be reimbursed for necessary traveling expenses incurred by them during their absence from the counties of their residence on official business; provided, however, that such travel expenses shall be limited to board and lodging and mileage each way necessary to travel on official business. Any judge seeking reimbursement for official expense under this section shall file with the Executive Secretary to the Supreme Court, or other official upon whom this duty may be lodged by law, a statement of such amounts necessarily expended by him in the discharge of such official duties and upon receipt of this verified statement, warrant for reimbursement for such expenses shall be issued.

Item 7. The Supreme Court shall fix the salaries of the marshals for the Eastern, Middle, and Western Divisions, which salary shall be payable out of the appropriations for Appellate Court Clerks.

Item 8. The commission in charge of the Supreme Court Building in Nashville, established by Tennessee Code Annotated, Section 16-3-701, is authorized to employ an experienced Engineer-Superintendent to supervise the air-conditioning and heating of the Supreme Court Building at Nashville and to employ the necessary assistants to keep and maintain the building. Payment for said services shall be paid out of the appropriations made by this act.

Light, heat and water for the Supreme Court Building in Nashville and for the Supreme Court Building in Knoxville is to be provided by the Department of General Services out of the appropriation herein made for it.

Item 9. Employees of the office of the Executive Secretary to the District Public Defender's Conference, District Public Defenders and employees of a District Public Defender's Office, as created pursuant to Tennessee Code Annotated, Title 8, Chapter 14, shall only travel and shall be reimbursed for travel expenses in accordance with the provisions of the comprehensive travel regulations promulgated by the Department of Finance and Administration and approved by the Attorney General.

Item 10. The appropriation made in Section 1, Title III-1, Item 5.9 for the Tax Relief Program, is made for the purpose of providing tax relief for elderly low-income homeowners, disabled homeowners, and disabled veteran homeowners, as provided by law. Pursuant to Tennessee Code Annotated, Sections 67-5-702 and 67-5-703, the income eligibility limit for elderly low-income homeowners and for homeowners totally and permanently disabled shall be ten thousand dollars (\$10,000.00) for fiscal year 1996-97.

Item 11. Notwithstanding any provision of the law to the contrary, from the appropriations made for the Department of the Treasury, there is hereby appropriated funds sufficient to defray the cost of administering, on behalf of state employees compensated on the centralized state payroll system, Tennessee Code Annotated, Title 8,

Chapter 25, Part 1, the same being the "Government Employees' Deferred Compensation Plan Act", and Tennessee Code Annotated, Title 8, Chapter 25, Part 3, the same being the "Profit Sharing or Salary Reduction Plans for State Employees", and Tennessee Code Annotated, Section 8-25-501, the same being a "Cafeteria Benefits Plan" for state employees.

Item 12. From the appropriation made in Section 4, Title III-1, Item 8.3, Claims Award Reserve Fund, funds may be expended to contract with a third party for claims management services.

Item 13. The Commissioner of Finance and Administration is authorized to approve an adjustment in rates charged by the Office of Information Resources and to reserve any funds needed to rebate savings to the federal government. Any adjustment of rates or reserve of funds pursuant to the provisions of this act shall be reported to the Information Systems Council.

Item 14. Subject to the concurrence of the Commissioner of Finance and Administration, the Commissioner of Personnel is authorized to develop and implement a system whereby the cost of the Civil Service Commission and of services rendered to the Department of Personnel by the Administrative Procedures Division of the Department of State is recovered from those departments, boards and commissions to whom services are rendered.

Item 15. The funds appropriated in Section 4, Title III-3, to the Division of Forestry, shall include the proceeds from timber sales conducted by the Department of Agriculture. It is the legislative intent that said proceeds shall be accounted for as departmental revenue.

Item 16. From the appropriation made for the Department of Tourist Development, there is hereby appropriated a sum not to exceed twelve thousand five hundred dollars (\$12,500.00), sufficient to defray the cost of advertising and other expenses in connection with special events in which Tennessee is represented and/or events within the state for which Tennessee will act as official host. Any allotment of funds made under the authority of this section shall be made only on the approval of the Commissioner of Finance and Administration.

Item 17. From the appropriations made in this act, there shall be paid expenses incurred by the Department of Economic and Community Development and the Department of Tourist Development, representing the state in its official capacity; provided, however, that nothing herein shall authorize the expenditure by each agency for such purposes in excess of five thousand dollars (\$5,000.00) per annum. The amount and purposes of such expenses are subject to approval by the Commissioner of Finance and Administration.

Item 18. The revenues collected under the provisions of Tennessee Code Annotated, Title 67, Chapter 4, Part 16, are available to fund the appropriations made for the Solid Waste Assistance Fund in Section 1, Title III-5 of this act. The Commissioner of Finance and Administration shall allocate all of said revenues to the fund.

Item 19. From the appropriations made to State Prosecutions under this act in Section 1, Title III-7, Item 3, the Commissioner of Correction and the Commissioner of Finance and Administration are authorized to develop and implement a plan to prorate payments to stay within available funds.

Item 20. Notwithstanding any provision of the law to the contrary, where a judicial proceeding is transferred from one jurisdiction to another for trial on a defendant's motion for change of venue, the limitation of five hundred dollars (\$500.00) for the board and lodging of the jury shall not apply, provided the Comptroller of the Treasury on the advice of the State Attorney General, determines that additional funds for boarding and lodging the jury are necessary.

Item 21. The appropriation of funds for the administration of the loan program authorized under the Mental Health and Mental Retardation Facilities Act of 1990, codified as Part 7, Chapter 31, of Title 4, is made to assist the authority in simplifying the loan process; it being the legislative intent that the authority, in determining what security to require for the loans, will look primarily to grant funds and will utilize its discretion in requiring additional security, such as deeds of trust.

Item 22. Within the amount appropriated in Section 1, Title III-17, for Aid to Families with Dependent Children (AFDC), the Commissioner of Human Services shall establish by rule or regulation to be effective July 1, 1996, the maximum grants for the AFDC program expressed as a percent of the standard of need.

Item 23. The appropriations to the Department of Revenue under Section 1, Title III-18, provide for all the activities of the department and include amounts in lieu of percentages allowed by law on collection of certain taxes and revenues; such percentage shall be covered into and made a part of the general fund. Appropriations also include amounts for motor vehicle registration and any other activities which may be administered by the Department of Revenue and/or the Department of Safety.

Item 24. The appropriation to the Tennessee Association of Rescue Squads in Section 1, Title III-21, is for the sole purpose of maintaining a state headquarters of the association and to pay the salary of an executive director of the association and other expenses appurtenant thereto.

Item 25. Notwithstanding any provision of the law to the contrary, the Department of Transportation shall not release or make available information which reveals the amount of funding available for any project.

SECTION 11. The appropriations made by this act under Sections 1 and 4 to the Department of Education shall be subject to the following provisions, limitations, or restrictions:

Item 1. The appropriation made in Section 1, Title III-9, Item 2.1d. for the Basic Education Program (BEP), shall be administered pursuant to the provisions of the Education Improvement Act (Public Chapter No. 535 of the Public Acts of 1992).

Item 2. From the appropriations made to the Department of Education under Section 1, Title III-9, of this act, the Department of Education is authorized to pay through disbursements to local education agencies (LEAs), for the benefit of eligible local education employees and their dependents, an amount not to exceed forty-five percent

(45%) of the total statewide cost, based on the Basic Education Program (BEP) formula, of such persons' participation in the basic accident and medical expense insurance plan authorized by Tennessee Code Annotated, Title 8, Chapter 27, Part 3.

Item 3. From the appropriation made to the Department of Education under Section 1, Title III-9, of this act, for technology programs, there is hereby earmarked a sum sufficient for the expenditures of the Web Project.

SECTION 12.

Item 1. There is hereby appropriated the sum of \$980,600.00 from the State Board of Equalization Loan Fund to be used in the property tax reappraisal and equalization programs and such related matters as are provided by law. In addition, there is herein appropriated the balance of any unexpended and unobligated funds from the fiscal year 1995-96 appropriation from the loan fund. The administration, control and expenditure of the funds herein appropriated shall be in accordance with the laws creating the revolving fund account. Such funds as may remain in the account at the end of the fiscal year shall not revert to the general fund but shall remain available for the purposes provided by law.

Item 2. There is hereby appropriated the sum of three million dollars (\$3,000,000.00) to the Department of Human Services, which sum shall be in addition to all other appropriations made to the Department of Human Services and which sum shall be used for the sole purpose of increasing the amount available to social service contractors, as provided for in Tennessee Code Annotated, Title 71, Chapter 1, Part 2.

Item 3. It is the intent of the General Assembly that the Commissioner of Finance and Administration shall have the authority to promulgate, as public necessity rules pursuant to Tennessee Code Annotated, Section 4-5-209, those rules and regulations which concern the Medicaid/TennCare program and which require promulgation in order for the state to fiscally function (i) within the appropriations provided for the Medicaid/TennCare program or (ii) within the availability of revenues received for the Medicaid/TennCare program.

Item 4. There is hereby appropriated a sum sufficient for the purpose of implementing an employee maintenance policy by the Department of Finance and Administration effective July 1, 1996. It is the legislative intent to hold harmless employees affected by the maintenance policy who were employed as of June 30, 1996. The Commissioner of Finance and Administration is authorized to allocate the appropriation to the appropriate organizational units and programs of state government and to adjust federal aid and departmental revenue allotments accordingly.

Item 5. After allocation of the first \$514,000.00 as provided in Tennessee Code Annotated, Section 55-4-307, all revenues arising from the surcharge for cultural motor vehicle registration plates provided for in Tennessee Code Annotated, Title 55, Chapter 4, Part 3, shall be allocated to and are hereby appropriated to the Tennessee Arts Commission for use in its programs.

SECTION 13. There is hereby appropriated from the Reserve for Casualty Losses, established under the provisions of Tennessee Code Annotated, Title 12, Chapter 3, Part 9, the necessary funds for payment of losses sustained under the limited self-insurance program authorized by said law. The Commissioner of Finance and Administration is authorized to

transfer any amounts herein appropriated to the capital projects fund, general fund, highway fund or other fund.

Further, to the extent that appropriations are made from the Reserve for Casualty Losses in the fiscal year ending June 30, 1997, it is the legislative intent that said Reserve be established in the amount of not less than five million dollars (\$5,000,000.00), and sufficient funds are hereby appropriated to establish the Reserve in that amount.

SECTION 14. The appropriations made by this act and all other appropriations, including appropriations of departmental revenues as set forth in Section 4 of this act, except such as may be made for the expenses of the Legislative Branch, and the appropriations made for the Judiciary, including the Attorney General and Reporter, District Attorneys General and Public Defenders, the Secretary of State, Comptroller of the Treasury and State Treasurer, shall be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1, which shall remain in full force and effect; and in case of conflict with any other law, the provisions of such laws shall prevail, except as otherwise herein specifically provided. All appropriations except those made by acts authorizing bond issues and expenditures thereof and those excepted from obligations and expenditure hereinabove, though made by other statutes, shall likewise be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1.

SECTION 15.

Item 1. No part of the fund appropriated to any department, office, instrumentality, or agency of the state government shall be expended in any other such entity, but if the head of any department, office, commission or instrumentality of the state government finds that there is a surplus in any classification, division, or unit under such entity, and a deficiency in any other division, unit or classification, then in that event the head of such department, office, commission or instrumentality of the state government may transfer such portion of such funds as may be necessary for the one division, unit or classification where the surplus exists to the other, except as otherwise provided herein, provided such transfer is approved by the Commissioner of Finance and Administration. Such transfer of funds pursuant to this item shall be subject to the approval of a majority of a committee composed of the Speaker of the Senate, the Speaker of the House and the Comptroller of the Treasury.

Item 2. The Commissioner of Finance and Administration may establish in any department, office, commission or instrumentality of the state government a clearing account through which all salaries and wages, including the state's portion of retirement, insurance, social security, etc., may be disbursed. In the event such accounts are established, department records shall be maintained showing the distribution of such amounts among the various appropriation codes, and any financial reports shall present expenditures as if such expenditures had been made through the individual appropriation accounts.

Item 3. The Commissioner of Finance and Administration shall have power and authority to refuse, with the approval of the Governor, to approve or honor any and all requisitions for purchases, except requisitions for purchases authorized by the Legislative Branch, including the Secretary of State, Comptroller of the Treasury and State Treasurer, and the Judiciary, including the Attorney General and Reporter. In case any division or function of government for which an appropriation is provided in this act or otherwise, shall

be transferred from an existing department, to any other department, such transfer shall automatically result in the appropriation for such transferred division or function becoming available to the department to which such transfer is made for the purposes of such transferred division or function.

Item 4. From the appropriations made to the various state departments and agencies under this act, and other general acts appropriating money, there may be paid any expenses incurred by said departments and agencies for the purpose of conducting and serving as host for regional or national conferences of which such departments or agencies may be members. Before any funds shall be expended under this authorization, the amount and purpose of the proposed expenditure shall be approved by the Commissioner of Finance and Administration.

Item 5. Notwithstanding any provision of law to the contrary, no state department or agency in the Executive Branch of state government is authorized to make organizational changes within such department or agency without the prior approval of the Commissioner of Finance and Administration. Where such organizational changes require a transfer of funds between organizational accounts and are contrary to the manner in which appropriations have been made herein, approval of said transfers is subject to approval by the Commissioner of Finance and Administration and by a majority of a committee composed of the Speaker of the Senate, the Speaker of the House and the Comptroller of the Treasury.

Item 6. The Commissioner of Finance and Administration is authorized to draw-down disputed federal funds and to reserve the funds to prevent their expenditure until the dispute is settled; and the Commissioner of Finance and Administration in consultation with the State Treasurer is authorized to allocate interest earnings on the draw-down of disputed federal funds and to pay interest earnings to the federal government in those instances when expenditures are ultimately disallowed.

Item 7. The Commissioner of Finance and Administration is authorized to impose a reasonable real estate transaction fee on all real estate transactions when the transaction is processed through the Department of Finance and Administration. Said fee structure shall be subject to approval by the State Building Commission.

Subject to the approval of the State Building Commission, there is hereby appropriated a sum sufficient to replace any real estate transaction fees that are waived.

Item 8. The Commissioner of Finance and Administration and the State Treasurer, with approval of the State Comptroller, shall develop and implement a policy to recover state funds and the state's costs associated with checks, warrants, drafts, and electronic funds transfers deposited to a state account that are subsequently returned unpaid by the drawer's bank.

Item 9. The Commissioner of Finance and Administration is authorized to maintain an indirect cost recovery plan to recognize overhead costs associated with the operations of the Tennessee Regulatory Authority, Wildlife Resources Agency, Department of Financial Institutions, Housing Development Agency and the regulatory boards and commissions not under the administration of the Department of Commerce and Insurance or the Department of Health. The Commissioner is further authorized to charge the

departments and agencies covered by the indirect cost recovery plan for their individual overhead costs. The Commissioner of Finance and Administration shall file his plan for implementing the provisions of this item with the chairmen of the Finance, Ways and Means Committees of the Senate and House of Representatives.

Item 10. The Commissioner of Finance and Administration is authorized to establish a state regulatory fee not to exceed \$5.00 for one year and \$10.00 for two years. The fee shall be in lieu of any allocation of indirect costs which would otherwise be allocated to the regulatory boards covered by the provisions of Chapter 523, Public Acts of 1989.

Item 11. If any appropriation in this act fails to designate a department or agency of state government to be responsible for the administration of the appropriation, then the Commissioner of Finance and Administration is hereby directed to designate the state department or agency to administer the appropriation.

Unless otherwise directed by language in this act, appropriation grants to agencies outside of state government shall be administered in such manner as the Commissioner of Finance and Administration shall determine.

Item 12. For the purposes of this item, the term "chief fiscal officer" shall mean the position within a state agency that has overall daily responsibility for the oversight of the fiscal operation for that agency. The Commissioner of Personnel in consultation with the Commissioner of Finance and Administration shall designate and classify position(s) within each agency of the Executive Branch of state government as chief fiscal officer(s) for that agency. Qualifications and appointments to fill existing or future vacancies shall be in accordance with procedures established by the Commissioner of Personnel with the approval of the Commissioner of Finance and Administration.

Item 13. From the appropriations made in this act to pay the salaries of state employees who are hired on or after July 1, 1996, the Commissioner of Finance and Administration is authorized to require that those salaries be paid through direct-deposit procedures.

Item 14. The Commissioner of Finance and Administration is hereby authorized to adjust departmental revenue and reserve estimates and related expenditures: a) for internal service funds to record fees received for services provided to departments, agencies, boards, and commissions and b) to record payment for services provided to state agencies by another state agency.

SECTION 16.

Item 1. Each department, division or agency for the benefit of which an appropriation is made herein and which participates in the Consolidated Retirement System, shall pay from such appropriation monthly such sums as may be due such Consolidated Retirement System as the state's contribution from such department, division or agency.

Item 2. The appropriation in Section 1, Title III-21, to the Consolidated Retirement System of the State of Tennessee in the amount of five million five hundred thousand dollars (\$5,500,000.00) is for retirement contribution for certain county officials and county judges. It is the legislative intent that the appropriation equal revenue collected and apportioned

under the provisions of Tennessee Code Annotated, Title 67, Chapter 4, Part 6 and Tennessee Code Annotated, Section 8-37-604, for county judges and county officials, and the Commissioner of Finance and Administration shall increase or decrease the appropriation for those officials accordingly.

Item 3. The appropriation in Section 1, Title III-21, to the Consolidated Retirement System of the State of Tennessee in the amount of one hundred thousand dollars (\$100,000.00) is for retirement contribution for certain general sessions judges. It is the legislative intent that the appropriation equal revenue collected and apportioned under the provisions of Tennessee Code Annotated, Title 67, Chapter 4, Part 6, for general sessions judges, and the Commissioner of Finance and Administration shall increase or decrease the appropriation for those judges accordingly.

Item 4. The State Treasurer, with the approval of the Commissioner of Finance and Administration, shall have authority to transfer any increase in the appropriation for county officials' and county judges' retirement contributions between the organizational units or programs benefiting from said appropriations. Such transfers shall be limited to the appropriations made for judicial and administrative officials of county governments, provided, however, that the State Treasurer, with the approval of the Commissioner of Finance and Administration, shall have authority to consolidate the assets of the retirement plans for elected and appointed officials for accounting and funding purposes. Such consolidations shall be limited to retirement plans with common employers.

Item 5. Whenever any law relating to retirement matters is passed by the General Assembly which does not affirmatively state that it has application to participating political subdivisions and it is subsequently determined by the retirement division that such act or provision thereof mandates increased liability to a participating political subdivision within the meaning of Article II, Section 24, of the Tennessee Constitution, compliance with the provisions of such act or acts shall be optional to the political subdivision. Upon discovery by the retirement division that an enactment increases liabilities to the local governments, notice of the effect of such enactment shall be given to the governing body by the retirement division within a reasonable time after discovery. The governing body of each political subdivision shall upon notification of the effect of the law, advise the retirement division of its desire to be covered by the provisions of the act within four (4) months of the date of notice. All participating political subdivisions which do not elect to be covered by the provisions of the enactment shall be excluded from the provisions thereof.

SECTION 17.

Item 1. From the appropriations made herein, the various departments, agencies, boards and commissions of state government shall pay on behalf of each participating employee within the respective departments, agencies, boards and commissions, not less than seventy percent (70%), nor more than eighty percent (80%) of the cost of each individual's participation in the basic group medical insurance program and one hundred percent (100%) of the cost of twenty thousand dollars (\$20,000.00) of basic term life insurance coverage and forty thousand dollars (\$40,000.00) of basic special accident insurance coverage for each participating employee; such basic medical, life and accident insurance program to be established pursuant to Tennessee Code Annotated, Title 8, Chapter 27, Part 2.

Item 2. From the appropriations made herein the Department of Military is hereby authorized to pay, on behalf of each participating national guardsman called up to state active duty, the cost of each individual's participation in the state-approved Group Life Insurance Plan for national guardsmen called up to state active duty. The provisions of Tennessee Code Annotated, Title 8, Chapter 27, Part 2, shall apply.

Item 3. The State Insurance Committee is to provide for the formation of optional advisory committees to be composed of members representing state employees, health care providers, and other involved parties for the purpose of providing suggestions and reactions to the State Insurance Committee. The State Insurance Committee is also to provide more advanced and detailed notices concerning both the meetings of the State Insurance Committee and any changes in the state insurance plan. Whenever possible, the State Insurance Committee shall provide sixty days notice of any changes in the state insurance plan.

Item 4. The State Insurance Committee shall establish and maintain, within the appropriations made in this act for supplemental medical insurance for retired state employees and retired teachers and in accordance with Tennessee Code Annotated, Section 8-27-702, the respective contribution levels to be made by the state on behalf of the eligible participating retirees. The annualized contribution rate established by the Committee for the eligible participating employees shall not exceed the amount appropriated in this act, and the rate established is subject to approval by the Commissioner of Finance and Administration.

SECTION 18. From the appropriations made by this act, claims for official travel expenses of state employees and members of boards and commissions, notwithstanding any provision of the law to the contrary, shall be subject to the provisions of comprehensive travel regulations as approved by the Attorney General and the Commissioner of Finance and Administration under the provisions of Tennessee Code Annotated, Section 4-3-1008.

SECTION 19. Whenever similar or duplicate appropriations are made in this act to those carried in any other act, such appropriation herein shall not be deemed as a supplemental appropriation, it being the legislative intent that there shall be no overlapping appropriations for equivalent amounts; but if this act simply supplements the appropriations made by the other act, then such supplemental appropriation shall be valid. The same shall apply to similar or duplicate appropriations made solely within this act.

SECTION 20. Notwithstanding the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary, whenever the State of Tennessee has any surplus lands or other surplus real properties which are sold or conveyed during the fiscal year ending June 30, 1997, the proceeds from the sale of such lands or other real property shall be subject to the provisions of Tennessee Code Annotated, Section 12-2-112.

SECTION 21. The Board of Standards, may, if it considers such action in the interest of the state, authorize the Director of Purchasing to negotiate for the purchase of computer programs and associated software systems without following the procedures set out in Tennessee Code Annotated, Title 12, Chapter 3, relative to requisitioning and the receipt of bids. Such purchases shall be made at and for the best possible price, and each such purchase shall be confirmed by the Board of Standards before becoming effective. This exception shall not apply to the purchase of computer equipment machinery or associated hardware, but the

same shall continue to be acquired in accordance with the procedures set out in Tennessee Code Annotated, Title 12, Chapter 3.

SECTION 22. Notwithstanding the provisions of Tennessee Code Annotated, Title 66, Chapter 29, warrants, drafts, and checks drawn on the State Treasury that have not been redeemed within twelve months of issue date shall be cancelled and written off the state's books with the funds reverting to the fund of issue. Subsequent claims by the payee of said instruments, shall be honored upon receipt of documentation to substantiate the claim. The Commissioner of Finance and Administration and the State Treasurer shall develop a plan to ensure the state's compliance with the unclaimed property law.

SECTION 23. It is hereby declared to be the legislative intent that the Commissioner of Finance and Administration revise the funding recommendations and personnel summaries contained in the Budget Document to conform with this act, other general acts of this Session and any other actions which affect the level of departmental or other such revenue. Said revised summaries shall be provided to the Finance, Ways and Means Committees of the Senate and House of Representatives and to the Office of the Comptroller of the Treasury and Fiscal Review Committee.

In establishing allotments from the appropriations herein made, the Commissioner of Finance and Administration may establish total spending authorizations in the amount of the specific appropriation from state revenues herein made plus the estimated federal and departmental revenues estimated to be available as presented in the revised funding summaries cited above. In the event federal and departmental revenues for any particular program, appropriation code, or other classification are less than the amount estimated to be available under the allotments then and to that extent the spending authorizations are hereby reduced; to the extent that federal or departmental revenues in excess of the amounts allotted are realized, such excess shall not constitute increased spending authorizations, except under the conditions herein specified.

In establishing the allotments herein authorized, the Commissioner of Finance and Administration shall divide the total spending authorizations by allotment code, into two subdivisions, as follows:

1. Personal Services and Benefits

2. Other Operating Expenses

No state agency shall establish new programs nor expand programs, including any programs involving federal or other funds, beyond the scope of those already established, recognized and approved by the legislature, as reflected in the revised summaries cited above, until the program and the availability of the money is submitted by the Commissioner of Finance and Administration to the Finance, Ways and Means Committee chairmen and until said committee chairmen have acknowledged in writing receipt thereof, to the Commissioner of Finance and Administration. Provided, however, that capital outlay program projects and the availability of funding shall be submitted to the State Building Commission to be acknowledged.

SECTION 24.

Item 1. Notwithstanding any provision of the law to the contrary, the heads of the respective departments for which appropriations are made in Section 1, Titles I, II, III-1, Items 1, 3, 5, and 6, are authorized to revise their respective budgets and personnel authorizations within the appropriations made in Sections 1 and 4 of this act and to submit those revised summaries to the Commissioner of Finance and Administration, who shall incorporate them into the revised funding recommendations and personnel summaries and allotments and spending authorizations required by Section 23 of this act.

Item 2. All funds appropriated in Section 1, Title III-1, Items 3, 5 and 6 and in Section 4, Title III-1, Items 3, 5 and 6 shall be administered in a ministerial capacity by the Department of Finance and Administration in accordance with budgets and any revisions thereto of the respective entities for which such appropriations are made. Such budgets and any revisions thereto shall be subject to the concurrence of the Speaker of the Senate and Speaker of the House of Representatives.

SECTION 25. Except where sovereign immunity has been or shall hereafter be expressly waived by the General Assembly, all appropriations of state revenues and departmental revenues made in this act and in prior acts to the state, its departments, agencies, boards, educational institutions, instrumentalities, and incorporated entities performing the state's governmental functions shall be state funds and shall be protected by the state's sovereign immunity from every court's judgment, decree, attachment, or other legal process; provided, however, that any statutory or other provision authorizing an agency, board, or entity to sue and be sued shall not constitute a waiver of sovereign immunity.

SECTION 26. From the appropriation made for the "General Assembly - Legislative Expense" under Section 1, Title I-1, payment shall be made for, but not limited to, the following items:

1. Any lawful expenses of the Ninety-ninth General Assembly, for which funds have not been obligated on June 30, 1996, such funds herein appropriated as are required may be made available during the fiscal year ending June 30, 1996.

2. The lawful expenses of the Ninety-ninth General Assembly.

3. The cost of staffing, maintaining and operating the offices of the Speaker of the Senate and the Speaker of the House of Representatives, including necessary travel and other expenses incident to said offices, not covered by Title I, Items 3 and 4, of this act.

4. Such expenses as may be incurred for maintaining legislative facilities including the maintenance and staffing and such other expenses as may be necessary to provide offices and other services to members of the General Assembly and their staff in state facilities in Nashville.

5. Expenses and travel pay to legislators for each day when attending conferences, workshops, and other official meetings, both within and without the State of Tennessee, when said travel is approved by the Speaker of the Senate and/or the Speaker of the House of Representatives. Payments shall be at the same rate provided for members of the standing committees of the General Assembly when meeting between sessions. Provided, further, that reimbursement may be made to legislators for registration fees incurred while attending conferences and meetings as may be approved by the Speaker of the Senate and/or the House of Representatives.

6. Expenses and travel pay allowed to members of the Joint Legislative Services Committee as authorized under Tennessee Code Annotated, Section 3-1-106, and to members of the Fiscal Review Committee, as authorized under Tennessee Code Annotated, Section 3-7-102.

7. The Speakers may transfer to the Office of Legislative Services and the Office of Legal Services for the General Assembly and to the Fiscal Review Committee sufficient funds to enable them to complete all studies assigned to them by the Ninety-ninth General Assembly, and to furnish such help as may be required by standing, select and joint committees of the General Assembly.

8. Membership dues to the National Conference of State Legislatures, similar service organizations, and such other conferences as may be approved by the Speaker of the Senate and the Speaker of the House of Representatives. Such payments may be made quarterly or in accordance with other partial payment plans.

9. Any expenditures for legislative purposes called for by resolutions or joint resolutions properly adopted by either or both Houses of the General Assembly.

10. Payment of expenses to any member, as provided by law, for attendance at any meeting of any standing, special, or select committee of the General Assembly, whether such meeting occurs during or between sessions of the General Assembly. Such expenses for meetings held between sessions shall be paid at the same rate as provided in the general law for meetings held while the General Assembly is in session.

All items listed above, together with any other expenses for the General Assembly, upon the approval of the Speaker of the Senate and/or the Speaker of the House of Representatives, shall be paid through the Office of Legislative Administration, who shall also be authorized to make arrangements for, and incur obligations incident to, any convening of the Ninety-ninth General Assembly, including but not limited to such items as contracts for the reproduction of bills, the printing of a daily legislative service, and the Tennessee Legislative Record.

Provided, further, that during any period when the Offices of the Speaker of the Senate or the Speaker of the House of Representatives are vacant, or otherwise upon authority of the Speakers, the Director of the Office of Legislative Administration is hereby authorized to do any act which the Speaker might do under the provisions of this section.

The provisions of the section shall not be construed to countermand any general act passed by the Ninety-ninth General Assembly.

SECTION 27. The Speaker of each House of the General Assembly shall be paid from funds appropriated to "General Assembly - Legislative Expense" the following sums:

Seven hundred fifty dollars (\$750.00) for their ex officio services during any session of the General Assembly; plus the sum of five thousand seven hundred dollars (\$5,700.00) annually for local office expenses in their county of residence which will be in addition to the cost of maintaining and operating offices in the State Capitol. In addition, each Speaker shall be allowed the same amount for expenses and travel pay as that provided for members of the standing committees of the General Assembly when meeting between

sessions, for attending meetings of standing, select, or joint committees of the General Assembly or when absent from their county of residence on official duty as Speaker. When the Speaker, Majority Leader, Senate Floor Leader or House Majority Whip travel by conveyance owned by such person, travel pay may be allowed on the basis of actual cost.

The allowance for ex officio duties authorized by this section shall be paid at the request of each Speaker at any time after adjournment of a session. The amount authorized hereby for local office expenses shall be paid annually on or after November 1st of each year at the request of each Speaker. Requests for payments shall be addressed to the Director of the Office of Legislative Administration and need not be accompanied by a list of expenditures for which allowances the reimbursements are claimed. Payments for attending meetings between sessions or when absent from county of residence shall be paid from time to time on request of each Speaker.

SECTION 28. In order to prevent duplication of effort and to establish professional standards, audits to be performed by internal audit staffs or grantees of departmental activities funded from appropriations made in this act shall be coordinated with the Office of the Comptroller of the Treasury, and such reports as may be issued shall be prepared in accordance with standards established as required by law by the Comptroller of the Treasury. No department, agency, institution, board, or commission shall cause internal auditing to be performed by persons who do not meet the job specifications for internal auditors established by the Commissioner of Personnel and approved by the Commissioner of Finance and Administration.

SECTION 29. The appropriations to public institutions of higher education set forth in Section 1 of this act shall be subject to the conditions and limitations set forth in this section, and shall not be subject to other provisions of this act except as otherwise expressly stated.

Item 1. Salaries to be paid from the appropriations made to educational institutions shall be fixed as follows:

The President and the staff of the University of Tennessee, by the Board of Trustees; the Presidents and staffs of the institutions within, and the Chancellor and staff of, the State University and Community College System of Tennessee, by the Board of Regents; and the Directors and staffs of the technical institutes and the area vocational-technical schools by the Board of Regents; all of which shall be within the appropriations provided and available for said purposes.

Item 2. It is the intent of the General Assembly that higher education institutions expend for maintenance and operations of the physical plant, exclusive of utilities, at least the amount included in the formula recommendation for that purpose, prorated to reflect actual funding levels appropriated in this act. Each institution shall report to the Commissioner of Finance and Administration the actual amount of expenditures for maintenance and operation of the physical plant, exclusive of utilities, for the fiscal year.

Item 3. All institutional revenues of any kind collected by the institutions in the course of their operations for their own use are hereby appropriated to the institutions in addition to the specific appropriations made by this act.

Item 4. It is the intent of the General Assembly that there shall be consistent fee charges among the public institutions of higher education of the state, subject to the nature

and scope of the institutions, and that the State Board of Regents and the Board of Trustees of the University of Tennessee shall consult with the Higher Education Commission before establishing the fee schedules for the universities, community colleges, technical institutes and area vocational schools.

Item 5. The appropriations herein for higher education, and appropriations of all higher education departmental and institutional revenue are subject to the provisions of Tennessee Code Annotated, Title 9, Chapter 6, and subsections (4) and (5) of Tennessee Code Annotated, Section 4-3-1006. Within the general requirements of these provisions, the Commissioner of Finance and Administration, in consultation with the Comptroller of the Treasury and the Higher Education Commission, shall specify the content and procedures for submitting operating budgets and revisions thereto. The operating budgets shall be submitted to the Higher Education Commission by the respective governing boards. The Higher Education Commission shall then submit such operating budgets with their comments to the Department of Finance and Administration for approval. In addition, the appropriations in this act to institutions of higher education shall be subject to the requirements, restrictions and controls of the State Board of Claims and the State Building Commission in the same manner as other agencies of the state.

Item 6. From the appropriations made herein, institutions of higher education are hereby authorized to pay, on behalf of each participating employee, a percentage amount equal to the amount paid by other agencies of the state of the cost of each employee's participation in the state-approved Group Insurance Plan for state employees.

Item 7. Except where sovereign immunity has been or shall hereafter be expressly waived by the General Assembly, all appropriations of state funds and institutional revenues made in this act and prior acts to institutions of higher education shall be state funds and shall be protected by the state's sovereign immunity from any court's judgment, decree, attachment, or other legal process, provided that any statutory or other provision authorizing any entity to sue and be sued shall not constitute a waiver of sovereign immunity.

Item 8. The appropriation in Section 1, Title III-21, Miscellaneous Appropriations, for State School Bond Authority - Debt Service, in the amount of eight hundred thousand dollars (\$800,000.00) is for benefit of education institutions with academic buildings funded through the State School Bond Authority which are listed in Chapter 858, Public Acts of 1972.

Item 9. From the appropriations made in this act and other appropriations acts, the budgetary units in higher education shall pay to the Division of Retirement, Department of the Treasury, the employer's share of retirement and social security costs including the additional benefit costs associated with pay raises funded from fees, revenues, payroll savings or any other funding source.

Item 10. There is hereby appropriated a sum sufficient to pay insurance claims filed by lending institutions under the provisions of the Guaranteed Student Loan Program and the costs associated with administering that program. Provided, however, such payments shall be made and such costs shall be paid from funds and reserves received and maintained by the Tennessee Student Assistance Corporation for the Guaranteed Student Loan Program and the State of Tennessee shall in no way be liable for such claims.

Item 11. In addition to any other funds appropriated by the provisions of this act, there is appropriated to the Student Assistance Corporation all reserve balances now held by the Corporation for the Student Loan Program authorized by Tennessee Code Annotated, Title 49, Chapter 4, Part 5. It being the legislative intent that these reserves may be used to cover any expenditures resulting from over-awards of assistance to students enrolled during the 1996-97 academic year under the Student Assistance Program. The allotment of funds appropriated by this item shall be subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 6, Part 1.

Item 12. From the appropriation to the Tennessee Student Assistance Awards in Section 1, Title III-10, any unexpended balance at June 30, 1997, shall not revert to the fund balance but shall be added to the reserve balances of the agency.

Item 13. The appropriations in this act for Centers of Excellence and Campus Centers of Emphasis are subject to allocation by the Higher Education Commission and the Commissioner of Finance and Administration. In allocating the appropriation for Centers of Excellence, a consideration shall be planned reductions to existing expenditures to supplement funding for the centers. The obligation and expenditure of funds appropriated for Centers of Excellence shall be subject to oversight by the special joint committee of the General Assembly created pursuant to the provisions of the Comprehensive Education Reform Act of 1984.

Item 14. The capital outlay projects listed on pages A-76 and A-77 of the 1996-1997 Budget Document and which are identified with the heading "Proposed Capital Outlay Projects From School Bonds And Other Sources, Fiscal Year 1996-1997," are presented for informational purposes only. The projects are subject to recommendation and approval procedures involving the higher education institutions and their governing boards, the Tennessee Higher Education Commission, Finance and Administration, the Tennessee State School Bond Authority, the State Funding Board and the State Building Commission.

SECTION 30. Salaries provided under the appropriations made in Sections 1 and 4 of this act to the respective departments, institutions, offices and agencies shall be fixed as under the provisions of Tennessee Code Annotated, Title 8, Chapter 23.

Within the appropriations made for the Office of the Attorney General and Reporter under this act, the salaries of the attorneys, legal and clerical staff and other employees shall be fixed by the Attorney General. The expenditures provided for herein shall not exceed the amount of the appropriation to the Office of the Attorney General and Reporter.

The salaries of all employees of the Judicial Branch, except those whose salaries are set by law, shall be fixed by the Administrative Director of the Administrative Office of the Courts with the approval of the Chief Justice of the Supreme Court. The compensation of the judges, chancellors, and justices of the state's trial and appellate courts shall be set in accordance with Tennessee Code Annotated, Section 8-23-103.

Within the appropriations herein made, the salaries of the subordinates and employees of the Treasurer, Comptroller, Secretary of State, the Tennessee Regulatory Authority, and the Fiscal Review Committee shall be fixed by the heads thereof, respectively, and the salaries of the employees and subordinates of the Joint Legislative Services Committee shall be fixed by such committee in accordance with the provisions of Tennessee Code Annotated, Title 3,

Chapters 10 through 14, inclusive; all other salaries and wages in departments, institutions, offices and agencies shall be approved by the Commissioner of Personnel, provided, however, that the establishment of salary ranges within such departments, institutions, offices and agencies shall be subject to the approval of the Commissioner of Finance and Administration. To the extent that additional funds are appropriated or are generated within a department or agency by abolishing vacant and funded positions, subject to review and approval of the Commissioner of Finance and Administration and the Commissioner of Personnel, salary increases may be granted from such funds.

The Department of Personnel and the Department of Finance and Administration shall report monthly to the Senate and House Finance, Ways and Means Committees and the Fiscal Review Committee on bona fide employee promotions, showing clearly by department the names and the increases in pay as a result of such promotions.

Such report shall also include employee transfers, dismissals, terminations, demotions, separations, and position abolishments showing clearly by department the names and titles of the employees affected, and such employees' position subsequent to such actions. Such report shall be furnished to the Speaker of the House and the Speaker of the Senate and to any other member of the General Assembly upon such member's request. Such report shall be furnished monthly.

SECTION 31. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Under the provisions of Section 4 and Section 23 of this act, it is the legislative intent to appropriate the proceeds of federal block grant programs, as assumed by the State of Tennessee, in the following manner:

1. Social Services block grant in the amount of \$22,172,400.00 to the Department of Human Services and in the amount of \$28,288,300.00 to Children's Services.
2. Mental Health Services block grant in the amount of \$4,489,000.00 to the Department of Mental Health and Mental Retardation.
3. Child Care Development block grant in the amount of \$18,531,400.00 to the Department of Human Services.
4. Maternal and Child Health block grant in the amount of \$13,710,100.00 to the Department of Health.
5. Preventive Health block grant in the amount of \$2,723,900.00 to the Department of Health.
6. Community Services block grant in the amount of \$7,470,900.00 to the Department of Human Services.
7. Low Income Energy Assistance block grant in the amount of \$8,977,500.00 to the Department of Human Services.
8. Substance Abuse Prevention and Treatment block grant in the amount of \$21,951,000.00 to the Department of Health.

9. Small Cities Community Development block grant in the amount of \$61,534,000.00 to the Department of Economic and Community Development. Said sum being the estimated allocation of funds for the federal fiscal years 1995-96 and 1996-97 combined.

Provided, however, that all expenditures of any community development block grant funds in addition to those appropriated and enumerated in this section shall be subject to the following limitations and restrictions:

The Housing and Community Development Act of 1981 made it possible for states to assume administration of small cities Community Development Block Grant (CDBG) previously administered by the U.S. Department of Housing and Urban Development (HUD). In Tennessee, the CDBG Program shall be administered by the Department of Economic and Community Development (ECD). The Assistant Commissioner of Community Development shall be responsible for managing the CDBG Program.

There shall be appropriated by the General Assembly to ECD such funds as may be allocated to Tennessee by the federal government for the CDBG Program. The state-administered CDBG Program shall be developed within the parameters of the CDBG legislation, applicable federal regulations, and consultation with citizens and elected officials in Tennessee.

The CDBG goals shall be three-fold: (1) target on areas of economic distress, (2) stimulate the growth of jobs and income in these areas, and (3) maximize the number of grantees. Additionally, all CDBG projects must meet one of the three national objectives of (1) principally benefiting persons of low and moderate income, (2) elimination or prevention of slums and blight, or (3) elimination of conditions detrimental to health, safety or public welfare. ECD shall be authorized to make grants and/or loans of CDBG monies to eligible city and county governments in Tennessee to achieve these goals. Loan payments and interest shall be reserved for reappropriation and shall not revert to the general fund balance at year end.

Eligible applicants shall be all city and county governments in Tennessee except those cities of over 50,000 population and principal cities of Standard Metropolitan Statistical Areas (SMSAs). Cities excluded from the state-administered CDBG Program include Memphis and Shelby County, Nashville (Davidson County), Chattanooga, Knoxville and Knox County, Clarksville, Bristol, Johnson City, Oak Ridge, Murfreesboro, Kingsport and Jackson. These cities and counties will receive their CDBG funds directly from HUD.

Based upon an anticipated CDBG allocation in the federal fiscal years 1996 and 1997 of \$30,767,000.00 each year, the following target funding levels shall be established:

	Federal <u>FY '96</u>	Federal <u>FY '97</u>
Administrative Costs	\$ 715,300\$	715,300
Industrial Location/ Expansions/ Retentions	11,794,000	11,794,000
Community Livability	1,743,700	1,743,700

Water/Sewer/Solid Waste	13,277,000	13,277,000
Housing and Neighborhood Revitalization	2,237,000	2,237,000
Set-Aside	1,000,000	1,000,000

A fifty percent (50%) reduction in any category will be permitted to facilitate proper program management and allow administrative flexibility. The funds so reduced shall be allocated to other categories with priority given to water/sewer/solid waste projects.

Selection criteria for project approvals shall be uniform within categories, objective and quantitative, and shall be based on project need, project feasibility, project impact, community need, and, for community livability projects, essentialness.

Project application materials will be supplemented, as appropriate, by site visits and by informed opinions of state agencies knowledgeable about particular projects.

The level of CDBG assistance for individual projects shall be determined by the following factors: (1) the percent of project beneficiaries that have family incomes below the low and moderate income (LMI) levels, (2) a maximum grant and/or loan of \$750,000.00 for individual projects (\$300,000.00 for community livability projects), (3) a maximum grant and/or loan to any applicant of \$750,000.00 in two successive years, and (4) the grantee's ability-to-pay. Higher grant levels (up to \$1,000,000.00) may be approved for regional projects.

If modifications in the expenditure plan for the CDBG Program are required, said modifications shall be accomplished in the following manner: (1) if the General Assembly is in session such modifications shall be approved by the General Assembly, or (2) if the General Assembly is not in session, the Governor may, (a) submit such modifications to the State Funding Board for approval or, (b) call a special session of the General Assembly for approval.

The small cities Community Development Block Grants (CDBG) funded under this act or other acts of the legislature shall lapse if substantial progress has not been made within one year after the grant is awarded. Provided, however, that individual awards may be granted an extension upon approval by the Commissioner of Economic and Community Development and the Commissioner of Finance and Administration.

SECTION 32. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. The appropriations made to the Department of Economic and Community Development (ECD) for the purpose of making grants and loans to local governments and businesses for job creation and/or retention shall remain available until expended. The Commissioner of Finance and Administration is authorized to carry forward any unexpended balance at June 30, 1996.

Notwithstanding any provision of this act or other law to the contrary, it is hereby declared to be the legislative intent that the TIIP program and industrial training service program in the Department of Economic and Community Development shall be operated within the appropriation levels provided in this and subsequent appropriations acts. The Commissioner of Economic and Community Development is not authorized to commit to make grants for infrastructure construction or acquisition, or for training services in excess of the amounts available for such purposes pursuant to law; provided, however, in determining the amounts

available for commitments, the commissioner is authorized, subject to the concurrence of the State Funding Board, to determine that amount of prior commitments unlikely to be accepted based on historical program trends and may over-commit to the extent of such determination. In no event may such over-commitments exceed thirty percent (30%) of the unobligated appropriations available for new grants.

No less frequently than quarterly, the Commissioner of Economic and Community Development shall report to the Commissioner of Finance and Administration the status of the TIIP and industrial training service appropriation, such report to include at least the following information: the amount of each commitment accepted since the previous report and the name of the company receiving the benefit of such commitment, the total outstanding commitments and the total unobligated appropriation. A copy of each such report shall be transmitted to the chairmen of the Finance, Ways and Means Committees upon receipt by the Commissioner of Finance and Administration.

At least three (3) days prior to the disbursement of funds in connection with a TIIP or industrial training service grant, the Commissioner of Economic and Community Development shall notify the House and Senate member of the district in which such grant will be used.

No single grant shall be made for more than seven hundred fifty thousand dollars (\$750,000) nor shall any grant obligate funds for more than one year. This provision shall apply to applications received after June 15, 1995.

These funds shall be used for industrial training and industrial infrastructure under the following provisions:

1. A grant or loan will be made only where there is a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs.

2. Eligible businesses shall be limited to a) manufacturing and other types of economic activities which export more than half of their products or services outside of Tennessee, b) businesses where more than half of their products or services enters into the production of exported products, c) uses which primarily result in import substitution on the replacement of imported products or services with those produced in Tennessee, d) other types of economic activity determined by the Commissioner of ECD to have a beneficial impact on the economy of Tennessee.

3. Grants or loans may be made to local governments, other political subdivisions of the state, or eligible businesses for industrial infrastructure (water service, wastewater service, rail service, etc.) and for industrial site preparation (grading, leveling, drainage improvements, etc.) where such expenditures are required to secure the location, expansion, or retention of an eligible business. The department may implement a pilot loan program for industrial building construction in certain economically depressed counties. In determining the form of the assistance the department shall consider whether the improvement will be of general community benefit (in which case the assistance shall be a grant) or benefit only a specific business (in which case the assistance shall be a loan).

4. Grants may be made to eligible businesses for industrial training under the following conditions: a) to support the training of new employees for locating or expanding industries, b) to support the retraining of existing employees where retraining is required by the installation of new machinery or production processes.

5. In determining the level of grant assistance for infrastructure and site preparation consideration shall be given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates. In no case shall the maximum infrastructure grant exceed seven hundred fifty thousand dollars (\$750,000) nor shall any grant obligate funds for more than one (1) year. This provision shall apply to applications received after June 15, 1995.

The Commissioner of Finance and Administration is authorized to transfer a sum sufficient to the Division of Community Development and to the Industrial Training Service to provide for grants made under those programs.

SECTION 33. On or before January 31 of each calendar year, the Center for Business and Economic Research of the University of Tennessee shall cause to be published a comprehensive report on the state's economy. Said report shall be based on projections from the Tennessee Econometric Model and such other information as the Center may deem appropriate. The report shall contain projections for ten years (beginning with the calendar year preceding the year in which the report is due) of the annual economic activity (level and percent change over prior year) for each of the state's major economic sectors; shall include ten-year projections of selected economic indicators, as specified by the State Funding Board; and shall also include a narrative description of the short-term and long-term prospects for economic and business activity in the state based on these indicators. Quarterly projections shall also be published if available.

Said report shall be distributed to the Governor and the other members of the State Funding Board. The State Funding Board shall report to the General Assembly as provided in Tennessee Code Annotated, Section 9-6-202.

SECTION 34. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. From the appropriations made in Chapter 549, Public Acts of 1995, the Commissioner of Finance and Administration is authorized to make transfers from the appropriations made:

Item 1. To the Department of Environment and Conservation in Section 1, Title III-5, and to adjust federal aid and other departmental revenue accordingly.

Item 2. To the Department of Economic and Community Development in Section 1, Title III-8.

Item 3. To the Department of Education in Section 1, Title III-9, and to adjust federal aid and other departmental revenue accordingly.

Item 4. To the Department of Labor in Section 1, Title III-13.

Item 5. To the Department of Mental Health and Mental Retardation in Section 1, Title III-14, and to adjust federal aid and other departmental revenue accordingly.

Item 6. To the Department of Military in Section 1, Title III-15, and to adjust federal aid and other departmental revenue accordingly.

Item 7. To the Department of Health in Section 1, Title III-16, and to adjust federal aid and other departmental revenue accordingly.

Item 8. To the Department of Human Services in Section 1, Title III-17, and to adjust federal aid and other departmental revenue accordingly.

Item 9. To the Department of Revenue in Section 1, Title III-18.

Item 10. To the Department of Safety in Section 1, Title III-20, and to adjust federal aid and other departmental revenue accordingly.

Item 11. To the Judicial Branch in Section 1, Title II, but excluding appropriations for Indigent Defendants Counsel, Verbatim Transcripts and Board of Law Examiners.

SECTION 35. The Commissioner of Finance and Administration is authorized to make the following transfers from the appropriations made in this act:

Item 1. In Sections 1 and 4 for the IV-D Child Support Program, a reallocation of positions and funds between the District Attorneys General and the Department of Human Services is authorized.

Item 2. From the appropriations made to the Department of Human Services and the TennCare Program in Section 1, for eligibility determination for the Medicaid Program and various federal family assistance programs, the Commissioner of Finance and Administration is authorized to reallocate appropriations between the department and program, and to adjust federal and departmental revenue estimates accordingly, in order to reflect actual costs of eligibility determination services and Medicaid case management services.

Item 3. The appropriations made to the TennCare Program under Section 1 are available for transfer between appropriation items and federal aid and other departmental revenue appropriations may be adjusted accordingly.

Item 4. The appropriations made in Section 1, Title III-21, Miscellaneous Appropriations, are authorized to be allocated and transferred to the appropriate organizational units and programs of state government by the Commissioner of Finance and Administration.

In addition to the appropriations made in Section 4 of this act, there is hereby appropriated to the organizational units and programs of state government all federal aid funds and departmental revenue earnings associated with the allocation and transfer of Miscellaneous Appropriations authorized under the preceding paragraph in this item.

Item 5. To the Department of Correction in Section 1, Title III-7, and to adjust the number of authorized positions within the department's authorized level.

Item 6. To the Department of Mental Health and Mental Retardation in Section 1, Title III-14, and to adjust federal aid and other departmental revenue accordingly.

Item 7. To the Department of Human Services in Section 1, Title III-17, and to adjust federal aid and other departmental revenue accordingly.

Item 8. To the Department of Revenue in Section 1, Title III-18, to allocate development costs of the Revenue Integrated Tax System (RITS) and to adjust departmental revenue accordingly.

Item 9. To the Judicial Branch in Section 1, Title II, but excluding appropriations for Indigent Defendants Counsel, Verbatim Transcripts and Board of Law Examiners.

SECTION 36. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Subject to the availability of funding at June 30, 1996, any unexpended balances of appropriations made under Chapter 549, Public Acts of 1995, other acts of this General Assembly or acts by previous General Assemblies, listed in this section are hereby reappropriated to be expended in the 1996-97 fiscal year and such appropriations shall be carried forward in a reserve into the fiscal year beginning July 1, 1996. The reappropriation and carry forward of these funds is subject to approval by the Commissioner of Finance and Administration. Unless otherwise noted, the unexpended balances reappropriated are authorized under Chapter 549, Public Acts of 1995, and they are the appropriations made:

Item 1. For data processing services, systems development and data processing equipment purchases and leases. This appropriation is subject to approval by the Information Systems Council.

Item 2. Notwithstanding any provision of law to the contrary, all funds appropriated to the Legislative Branch which remain unobligated and unexpended at the end of any fiscal year, shall not revert to the general fund but shall be carried forward in a reserve to be expended in accordance with the approval of the Speaker of the House of Representatives and the Speaker of the Senate. This item shall not be subject to the approval of the Commissioner of Finance and Administration.

Item 3. To the Judicial Branch in Section 1, Title II, but excluding the appropriations for Indigent Defendants' Counsel and Verbatim Transcripts. The reappropriated funds shall be expended for the study and implementation of an integrated computer system for the Tennessee court system under the provisions of Chapter 1005, Public Acts of 1994.

Item 4. To the Secretary of State for publication of the Blue Book under Section 1, Title III-1, Item 3.3.

Item 5. The funds earmarked from the State Board of Equalization Loan Fund in Item 49 of Section 11 of Chapter 916 of the Public Acts of 1982, shall remain available during fiscal year 1996-97 for expenditure pursuant to the provisions of Tennessee Code Annotated, Section 67-5-1601.

Item 6. Notwithstanding any provision of law to the contrary, funds previously appropriated to the Jackson Arts Council for the West Tennessee Art Center are reappropriated for such purpose and shall not revert to the general fund on June 30, 1996 or any subsequent June 30 until expended in accordance with the original appropriation.

Item 7. To the Department of Environment and Conservation, Environmental Protection Fund, in Section 1, Title III-5, Item 21, for the purpose of implementation of an integrated environmental data system. Expenditure of the reappropriated funds is subject to approval of a plan by the Information Systems Council.

Item 8. To the Department of Environment and Conservation, Land Reclamation, in Section 1, Title III-5, Item 3.

Item 9. To the Tennessee Historical Commission in Section 36, Item 9 for the Bicentennial Encyclopedia and for the highway markers guidebook, the historical sites passport book, state history manuscripts publication and the historical markers project.

Item 10. To the Tennessee Higher Education Commission in Section 1, Title III-10 for desegregation activities.

Item 11. To the Department of Transportation in Section 1, Title III-27, Item 2, for equipment purchases.

Item 12. To the Department of Transportation for any appropriations which are reserved at June 30, 1996.

SECTION 37. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Subject to the availability of revenue at June 30, 1996, any unexpended balances of appropriations made under Chapter 549, Public Acts of 1995, other acts of this General Assembly or acts by previous General Assemblies for benefit of an agency of local government or a third-party nonprofit organization for which there is a grant agreement/contract approved by the Commissioner of Finance and Administration are hereby reappropriated to be expended in the 1996-97 fiscal year and such appropriations shall be carried forward in a reserve into the fiscal year beginning July 1, 1996. The Commissioner of Finance and Administration shall provide a list of any unexpended balances carried forward to the Director of Accounts and to the Division of State Audit. The reappropriation and carry forward of these funds is subject to approval by the Commissioner of Finance and Administration.

SECTION 38. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. There is hereby appropriated the following amounts which shall be in addition to the appropriations provided under Chapter 549, Public Acts of 1995.

Judicial		
1.	Indigent Defendants' Counsel	\$ 1,500,000.00
Department of Correction		
1.	State Prosecutions	\$ 20,413,100.00
2.	Middle Tennessee Facility - Startup	3,314,700.00
3.	Double Celling Costs.....	2,154,600.00
	Total	\$ 25,882,400.00
Department of Economic and Community Development		
1.	TIIP grants	\$ 12,000,000.00
Department of Education		
1.	Career Ladder	\$ 1,300,000.00
2.	Retirement and Social Security	4,700,000.00
	Total	\$ 6,000,000.00

Department of Commerce and Insurance		
1.	Division of Regulatory Boards.....	\$ 342,700.00
Department of Labor		
1.	Workers' Compensation.....	\$ 200,000.00
2.	Second Injury Fund	3,000,000.00
	Total	\$ 3,200,000.00
Tennessee Bureau of Investigation		
1.	Special Investigation Funds	\$ 150,000.00
	TOTAL	\$ 49,075,100.00

The Commissioner of Finance and Administration is authorized to allot and transfer these appropriations to the appropriate expenditure account within each department, agency or branch of government and to adjust authorized positions accordingly. The Commissioner of Finance and Administration is further authorized to adjust federal aid and departmental revenues accordingly.

SECTION 39. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. There is hereby appropriated from departmental revenues and federal aid funds the amounts hereinafter set out:

SECTION 40. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. There is hereby appropriated a sum sufficient to recognize any accrued liability of the state and any obligations between state agencies at June 30, 1997 and federal aid and departmental revenues may be adjusted accordingly. This appropriation is subject to certification of the accrued liability and obligations between state agencies by the Commissioner of Finance and Administration to the State Comptroller.

SECTION 41. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. All savings of appropriations made in this act for employer FICA taxes as a result of employee participation in any cafeteria plan established for state employees, including employees of institutions of higher education, are hereby appropriated as follows:

(a) An amount sufficient to implement and pay the cost of administering the cafeteria plan established for such employees is hereby appropriated for that purpose. From the appropriation made in this item, the State Treasurer, with the approval of the Commissioner of Finance and Administration, is authorized to fund recurring and nonrecurring costs of administering the cafeteria plan established for such employees; and

(b) All other savings shall be allocated for the purpose of assisting such employees in obtaining day care services; for the purpose of enhancing group insurance programs; and for the purpose of providing other programs and services designed to benefit such employees. The Commissioner of Finance and Administration, with the advice and consent of the State Treasurer and the

Commissioner of Personnel, is authorized to allocate funds as he determines to the agencies involved with the administration of such programs.

Item 2. The State Library and Archives Management Board in its discretion is hereby authorized to reallocate any remaining funds from the \$906,600.00 appropriated in Chapter 1037, Section 12, Item 124 of the Public Acts of 1988, for library construction at specific locations across the state, where projects have not developed, to other unspecified locations where future library construction projects may develop.

Item 3. There is hereby appropriated from the State Office Buildings and Support Facilities Revolving Fund (FRF) reserves, a sum sufficient amount equal to the difference between the cost for operation of FRF facilities as defined under the Office of Management and Budget's Circular A-87 and the amount that would have been billed and paid by the federal government at the FRF market lease rates. The Commissioner of Finance and Administration is authorized to distribute said appropriation to departments, agencies, boards, and commissions to fund any difference between reimbursements received from the federal government utilizing A-87 allowable costs and the FRF market lease rates. In the event that A-87 allowable costs exceed the FRF rates, any difference collected from the federal government shall be paid into the fund.

Item 4. There is hereby appropriated a sum sufficient from earmarked and/or dedicated agency revenues and reserves to provide for the costs of implementing the state's underground storage tanks program. The Commissioner of Finance and Administration shall allocate the costs to the individual agencies and establish the appropriations required from revenues and reserves available to the individual agencies.

Item 5. There is hereby appropriated a sum sufficient from general fund interest earnings for the purpose of funding the State of Tennessee's liability under IRS regulations for arbitrage interest earnings on proceeds from general obligation debt.

Item 6. There is hereby appropriated a sum sufficient from general fund interest earnings for the purpose of funding the state's liability for the exchange of interest with the federal government as provided for in the Cash Management Act of 1990.

Item 7. There is hereby appropriated a sum sufficient to provide for a consultant's services in review of accounts receivable management for the State of Tennessee and for the implementation of those recommendations to the extent the recommendations are approved by the Commissioner of Finance and Administration. It is the intent of the legislature that said appropriation shall be funded from revenues collected from accounts receivable. The Commissioner of Finance and Administration may establish such positions as may be required to cost-effectively implement such recommendation.

Item 8. Any unexpended real estate fees collected by the real property management division in the Department of Finance and Administration shall not revert to the general fund at June 30, 1997 but shall be carried forward in a reserve.

Item 9. From the unexpended balances of the appropriations made under Section 1, Title III-21 of this act, there is hereby appropriated a sum not to exceed \$95,000.00 to reimburse the U.T. Center for Business and Economic Research for research assistance to the Department of Finance and Administration.

Item 10. In the fiscal year ending June 30, 1997, there is appropriated a sum sufficient to the Tennessee Housing Development Agency from funds available to the agency from reserves and taxes allocated to housing programs.

Item 11. The Commission on Human Rights is authorized to expend up to \$100,000 of interdepartmental revenues received from federal funds available to departments and agencies, as appropriated herein, for carrying out its statutory responsibilities as the state agency responsible for administration of Title VI of the U.S. Civil Rights Act as provided by Chapter 381, Public Acts of 1995.

Item 12. For the purpose of assuring that penalty and interest obligations associated with late payment of taxes do not impair the ability of hospitals to serve low-income patients, there is appropriated a sum sufficient from said penalty and interest revenue to the Department of Health to make grants to hospitals for the purposes of defraying excess costs as a result of penalty and interest payments incurred on state service taxes, provider taxes and fees. A hospital grant shall be subject to approval by the Commissioners of Health and Finance and Administration and shall be subject to a plan, satisfactory to the state, for payment of taxes due.

Item 13. Subject to the financial reporting requirement that the value of federal food stamps be recognized in the state's accounting system, there is hereby appropriated a sum sufficient from federal funds to recognize the value of food stamps. This appropriation is subject to approval by the Comptroller of the Treasury and the Commissioner of Finance and Administration.

Item 14. There is hereby appropriated a sum sufficient to the Department of Human Services from the earmarked funds allocated to the Domestic Violence Community Education Fund under the provisions of Tennessee Code Annotated, Section 36-3-616.

Item 15. There is hereby appropriated a sum sufficient to the Department of Revenue to pay interest, attorney fees and other costs which are due with certain taxpayer refund payments.

Item 16. In the fiscal year ending June 30, 1997 there is appropriated a sum sufficient to the Department of Revenue from the additional revenues generated and earmarked under the provisions of the "Motor Carrier Funding and Tax Administration Act of 1993", Chapter 142, Public Acts of 1993, for the cost of development, implementation, maintenance, and operation of the Tennessee International Fuel Tax Agreement (IFTA) and Motor Carrier System Project.

Item 17. In addition to the appropriations made in Section 4 of this act to the Department of Transportation, there is hereby appropriated a sum sufficient from local government funds, federal aid and other departmental revenues in the fiscal year ending June 30, 1997.

Item 18. In addition to the appropriation made in Section 1, Title III-27, Item 3 for Highway Maintenance, and Item 5.4 for State Highway Construction in Chapter 549, Public Acts of 1995, there is further appropriated such amount as the Commissioner of Finance and Administration shall determine is available from tax revenues allocated to the highway fund and from the highway fund balance.

Item 19. In addition to the appropriation made in Section 1, Title III-26, Item 5.6 Air, Water and Rail, there is appropriated a sum sufficient from earmarked revenues subject to the availability of those revenues as determined by the Commissioner of Finance and Administration.

Item 20. To provide state matching funds for an increase in the federal grant to the Tennessee Bureau of Investigation, Medicaid Fraud Control Unit, the Commissioner of Finance and Administration is authorized to transfer state appropriation from TennCare Administration to the TBI in an amount not to exceed \$40,700 in the fiscal year ending June 30, 1996 and in an amount not to exceed \$99,100 in the fiscal year ending June 30, 1997.

Item 21. The appropriation made to the Tennessee Ocoee Development Agency in Section 1, Title III-5 and in Section 41, Item 24 of Chapter 549, Public Acts of 1995, is hereby reappropriated to the Tennessee Ocoee Development Agency without any private funds matching requirement for purposes of supporting the 1996 Olympic Whitewater Event. Any unexpended appropriation shall not revert to the general fund, but shall be carried forward into fiscal year 1996-97.

Item 22. Section 43, Item 6 of Chapter 549, Public Acts of 1995, which transferred to the general fund from the capital projects fund a sum not to exceed \$775,000 from an appropriation made to the State Board of Regents for the University of Memphis, is hereby repealed. It is the legislative intent that the capital outlay appropriation remain available to the University of Memphis until expended.

Item 23. The second paragraph in Section 12, Item 5 of Chapter 549, Public Acts of 1995, which earmarks \$175,000 of the revenues allocated to the Tennessee Arts Commission from cultural motor vehicle license plates is hereby repealed. It is the legislative intent that all revenues in excess of \$514,000 arising from the surcharge for cultural motor vehicle registration plates be allocated and appropriated to the Tennessee Arts Commission for use in its programs.

Item 24. In the fiscal year ending June 30, 1996, there is hereby appropriated from dedicated revenues: (a) \$287,300 to the Board of Paroles; (b) \$634,200 to the Department of Correction, Field Services; and (c) \$2,305,000 to the Department of Environment and Conservation, Tennessee Dry Cleaners Environmental Response Fund. Said appropriations shall be in lieu of departmental revenue appropriations established in the 1995-96 work program allotments for the respective programs.

Item 25. From the revenues collected by the Department of Environment and Conservation at state park facilities, a sum equal to six percent of said revenues shall be allocated at the end of each quarter of the fiscal year to be used for maintenance of state parks facilities, including furniture, fixtures and equipment. Any such funds that are unencumbered or unexpended at the end of the fiscal year shall not revert to the state's general fund, but shall be carried forward until expended for maintenance of state park facilities.

SECTION 42.

Item 1. Notwithstanding any provision of the law to the contrary, no law of general application which imposes increased expenditure requirements on cities and counties in

excess of one million dollars (\$1,000,000.00) shall take effect unless the state share of the cost of such law is specifically appropriated by the provisions of this act.

Item 2. Notwithstanding any provision of law to the contrary, no law of general application which requires expenditures in excess of one hundred thousand dollars (\$100,000) shall take effect unless the funds required to be expended by such law are specifically appropriated by the provisions of this act, but the required first year's funding for any law of general application which requires expenditures of one hundred thousand dollars (\$100,000) or less shall be deemed to have been appropriated through the provisions of this act.

SECTION 43. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. Unexpended appropriations in the amount of \$28,400,000.00 shall be transferred from the debt service fund to the general fund in the fiscal year ending June 30, 1996.

Item 2. In the fiscal year ending June 30, 1996, tax revenues allocated to the debt service fund in excess of \$220,100,000.00 shall be transferred to the general fund.

Item 3. In the fiscal years ending June 30, 1996 and June 30, 1997, it is the legislative intent that the appropriations made to the Department of Health, Health Access Incentive Account, be funded from the reserve balance of the account at June 30, 1995 and June 30, 1996. It is further the legislative intent that no funds be credited to the account under the provisions of Tennessee Code Annotated, Section 66-29-121, in the fiscal years ending June 30, 1996 and June 30, 1997.

Item 4. It is the legislative intent that the appropriations made in Section 1 of this act, but excluding Title III-10, be reduced in the amount of \$8,103,800.00 to off-set one-third of the cost of a three percent (3%) salary increase for state employees. The Commissioner of Finance and Administration shall submit a schedule of the individual line-item reductions to the Chairmen of the Finance, Ways and Means Committees of the Senate and House of Representatives prior to April 1, 1996.

The Commissioner of Finance and Administration shall also submit to the Chairmen by April 1, 1996 a schedule to allocate to the individual departments and agencies, excluding those in Title III-10, the appropriations made in Section 1, Title III-21, Items 14, 15 and 16 for a three percent (3%) salary increase, salary range changes and a TCRS rate increase.

To provide for the total cost of the three percent (3%) salary increase, salary range changes and the TCRS rate increase, there is hereby appropriated a sum sufficient from dedicated revenues, federal aid, other departmental revenues and reserves for the share of the costs associated with those revenues and reserves.

Item 5. It is the legislative intent that the appropriations made in Section 1, Title III-10 of this act for higher education be reduced in the amount of \$9,787,300.00 to off-set one-third of the cost of an average three percent (3%) salary increase for higher education employees. The Higher Education Commission shall submit a schedule of the individual

line-item reductions to the Commissioner of Finance and Administration prior to April 1, 1996.

The Higher Education Commission shall also submit to the Commissioner prior to April 1, 1996 a schedule to allocate to the individual institutions and programs in higher education the appropriations made in Section 1, Title III-10, Items 5.1 and 5.2 for an average three percent (3%) salary increase and a TCRS rate increase.

SECTION 44. There is hereby appropriated a sum sufficient from the State Office Buildings and Support Facilities Revolving Fund to provide for expenditures authorized under Title 9, Chapter 4, Part 9 of the Tennessee Code Annotated. There is appropriated a sum sufficient to the revolving fund in recognition of the lease cost of space for which recovery is not in the state's best interest.

SECTION 45. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

1. There is hereby created a Capital Projects Account in the Division of Office of Information Resources for the administration of the Information Systems Capital Projects Budget.

This account is established to provide for:

- (a) Implementation of the statewide Management Information Systems Plan;
 - (b) Ability to separate the operational budget of the Office of Information Resources and the system development projects contained in the MIS Plan; and
 - (c) Financial control of the system development projects, including equipment replacement for the various agencies of state government.
2. There is hereby authorized the transfer of those sums appropriated for information systems capital projects in Sections 1 and 4 and in Section 36, Item 1 of this act. Federal aid funds and other departmental revenues shall be adjusted accordingly to reflect the transfer of state appropriations.
 3. The Commissioner of Finance and Administration is authorized to transfer to the Capital Projects Account any appropriations made in Sections 1 and 4 of this act resulting from operating savings derived from implementation of information systems funded through this section.
 4. From the appropriations made for systems development and other data processing activities in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to establish and charge the costs of information systems analyst positions and other data processing positions to said appropriations. The Commissioner of Finance and Administration is further authorized to transfer between departments and agencies existing information systems analysts positions, other data processing positions and the funding provided in this act for transferred positions. This appropriation is subject to approval by the Information Systems Council.

5. Expenditure of any funds, subject to the jurisdiction of the Information Systems Council, appropriated for systems development, the purchase of computer software or the purchase of computer hardware shall be subject to the policies of such Council.

SECTION 46. The Commissioner of Finance and Administration is authorized to develop and implement procedures for establishing an "Equipment Revolving Fund" to provide a stable recurring revenue source to meet the requirements for replacement equipment and additional equipment needs of state agencies and departments.

SECTION 47. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. To implement the "Children's Services" program, the Commissioner of Finance and Administration is authorized to transfer among the departments and agencies of state government any funding and/or programs providing services to children committed to the state's care or who are at risk of being committed. In addition, the Commissioner of Finance and Administration is authorized to increase and allot departmental revenue as may be needed to support children's programs. In the fiscal year ending June 30, 1996, the Commissioner of Finance and Administration is authorized to transfer to the "Children's Services" program, for purposes of closing the fiscal year, any appropriations available that were made under Chapter 549, Public Acts of 1995 in Section 1, Titles III-9, III-14 and III-17. The transfer of any funds pursuant to the provisions of this section shall be reported to the Speaker of the Senate and the Speaker of the House of Representatives, the chairmen of the House and Senate Finance, Ways and Means Committees and the officers of the Select Joint Committee on Children and Youth.

SECTION 48. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. Notwithstanding the provisions of Chapter 549, Public Acts of 1995, to the contrary, to the extent state revenues and/or other funds made available to the general fund for the fiscal year ending June 30, 1996, exceed the requirements of such fund for the fiscal year ending June 30, 1996, the Revenue Fluctuation Reserve shall be established in the amount of \$101,400,000.00 before considering any contingency appropriations authorized by this act or other acts of the General Assembly.

SECTION 49. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. The Commissioner of Finance and Administration is authorized to transfer all federal and state health care funds, except those funds appropriated to support the State Group Insurance Program, the Local Education Insurance Program and the Local Government Health Insurance Program, to the TennCare Program for the purpose of implementing any program approved by waiver, state plan amendment and/or state and federal legislation pursuant to the provisions of health care services to Tennesseans designated as eligible by TennCare. In addition, the TennCare Program is authorized to use as a funding source 5% of gross patient revenues in a community, as designated by the community health agency districts, as charity care, as well as local government appropriations and any co-payments collected under the program even if such funds are not collected by the state so long as they are applied as a discount or other reduction in determining rates under the TennCare Program. In addition, any premiums collected by

the TennCare Program are explicitly authorized to be appropriated to the program for the purpose of carrying out the provisions of TennCare.

The Commissioner of Finance and Administration is further authorized to transfer state funds, as required, from TennCare to Mental Health services, Mental Retardation services, other Health services, the Tennessee Comprehensive Health Insurance Program System (TCHIPS) and the Children's Services program.

Item 2. For fiscal year 1996-97, in addition to all other appropriations to the TennCare Program, the Commissioner of Finance and Administration is authorized to use certified public expenditures and/or intergovernmental transfers from all government-related TennCare service providers for the purpose of matching funds under federal law for the TennCare Program. The use of the certified public expenditures and/or intergovernmental transfers shall be in accordance with federal law and regulations.

Item 3. Subject to the availability of funding at June 30, 1996, the Commissioner of Finance and Administration is authorized to carry forward into the fiscal year beginning July 1, 1996 any unexpended balances of appropriations made under Chapter 549, Public Acts of 1995, for TennCare and such funds as are carried forward are hereby reappropriated to be expended in the 1996-97 fiscal year.

SECTION 50. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

1. Notwithstanding any provisions of the law to the contrary, the Commissioner of Finance and Administration is authorized to establish an Electronic Benefits Transfer system in cooperation with the member states of the Southern Alliance of States.

2. Notwithstanding any provisions of the law to the contrary, the Commissioner of Finance and Administration is authorized to contract with a provider of service selected by the Southern Alliance of States or by Tennessee request for proposal (RFP).

3. Notwithstanding any provisions of the law to the contrary, the Commissioner of Finance and Administration and the Commissioner of Human Services are authorized to establish the necessary rules and policies to implement a pilot Electronic Benefits Transfer system in three counties in Tennessee.

SECTION 51. From the amounts herein appropriated to the Department of Education in Section 1, Title III-9, Item 2.1.d, the Basic Education Program, the sum of \$12,000,000.00 is for the purpose of making distributions during fiscal year 1996-97 to local education agencies to address teacher salary equalization concerns identified by the Tennessee Supreme Court in Tennessee Small Schools, et al. v. Ned Ray McWherter, et al. These funds shall be distributed based upon the provisions of Chapter 520, Public Acts of 1995.

SECTION 52. It is the legislative intent that the three percent (3%) salary increase appropriated in Section 1, Title III-21, Item 13 shall apply to all state employees and state officials unless an employee is denied on the basis of unsatisfactory work performance which shall be set forth in a statement from the department or agency head detailing the circumstances surrounding the denial which shall be sent to the affected employee. The employee shall then have the opportunity to respond either orally or in writing to the department or agency head. If the denial is sustained by the department or agency head, such letter must

be filed with the Commissioner of Personnel. An employee with less than one year of service shall be eligible for a salary increase on the one-year anniversary date under the same conditions. The three percent (3%) salary increase shall apply to certain commissioned members of the Department of Safety in-lieu of the annual compensation survey authorized in Tennessee Code Annotated, Section 4-7-201.

SECTION 53. The Tennessee Code Commission is requested to place an appropriate, permanent note following the codification of any public act which is codified and which has not received constitutionally required first year's funding through the provisions of this act.

SECTION 54. If any provisions of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 55. This act shall take effect July 1, 1996, the public welfare requiring it; provided, however, that any provision of this act which authorizes prior or immediate expenditures and any section which specifies an immediate effective date shall take effect upon becoming a law, the public welfare requiring it.